Supreme Court, U.S.
FILED
02 491 SEP 23 2002
OFFICE OF THE CLERK

No. 02-

IN THE

Supreme Court of the United States

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Petitioner,

v.

TAMIAMI PARTNERS, LTD.,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE ELEVENTH CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

SONIA ESCOBIO O'DONNELL
STEPHAN I. VOUDRIS
JORDEN BURT LLP
777 Brickell Avenue
Suite 500
Miami, FL 33131
(305) 371-2600

DEXTER W. LEHTINEN
Counsel of Record
LEHTINEN, VARGAS & REINER, P.A.
7700 North Kendall Drive
Suite 303
Miami, FL 33156
(305) 279-1166

Attorneys for Petitioner

176166

COUNSEL PRESS
(800) 274-3321 • (800) 359-6859

330 1-1

QUESTIONS PRESENTED

1. Whether the *Tamiami* decisions which interpret the Federal Arbitration Act as allowing courts "to look through" an arbitration to the underlying federal claims to find jurisdiction, and which find a substantial federal question based on a federal statute that provides no private right of action, represent an unprecedented expansion of federal question jurisdiction that conflicts with the majority of circuits that have decided the issues.

2. Whether the Eleventh Circuit's rejection of the Miccosukee Tribal Court orders, which stayed the arbitration and vacated the award, conflicts with an unbroken line of Supreme Court precedent requiring deference to tribal courts, and precluding relitigation of issues resolved in tribal court, and whether this Court should grant certiorari to decide the unresolved question in *Nevada v. Hicks*, regarding the scope of tribal court jurisdiction over non-members.

TABLE OF CONTENTS

Page

QUESTIONS PRESENTED i

TABLE OF CONTENTS ii

TABLE OF CITED AUTHORITIES vi

TABLE OF APPENDICES xii

OPINIONS BELOW 1

STATEMENT OF JURISDICTION 2

STATUTES INVOLVED 2

STATEMENT OF THE CASE 2

REASONS FOR GRANTING THE WRIT 8

I. THE DECISIONS IN *TAMIAMI III* AND *TAMIAMI IV* ARE IN DIRECT CONFLICT WITH SUPREME COURT AND CIRCUIT COURT DECISIONS ON THE SCOPE OF FEDERAL QUESTION JURISDICTION .. 10

A. The Court Should Resolve The Conflict In The Circuits On Whether The Presence Of A Federal Question In The Underlying Claims In Arbitration Is Sufficient To Confer Jurisdiction 10

Contents

Page

1. This Court Should Clarify Its Decision In *Moses H. Cone* And Resolve The Confusion That Exists As To Whether FAA § 4 Confers Jurisdiction If There Is An Underlying Federal Claim 14

2. The *Tamiami* Decisions' Drastic Expansion Of Federal Jurisdiction Is An Important Issue Of Federal Law That Should Be Reviewed By This Court 15

B. Even Assuming The Underlying Claim In Arbitration Was Relevant To The Jurisdictional Inquiry, The Eleventh Circuit's Decisions Incorrectly Found A Substantial Federal Question Based On A Statute That Confers No Express or Implied Right Of Action 17

1. Because The Indian Gaming Regulatory Act Provides No Express Or Implied Right Of Action To Management Contractors Against Indian Tribes, There Is No Federal Question Jurisdiction 17

Contents

Page

2. The *Tamiami* Decisions Compound An Existing Intra-Circuit Conflict And Conflict With This Court's Decision In *Merrel Dow* 19

3. The waiver of sovereign immunity did not confer jurisdiction 21

II. THE ELEVENTH CIRCUIT'S REJECTION OF THE TRIBAL COURT'S ORDERS STAYING THE ARBITRATION, AND SUBSEQUENTLY VACATING AN ARBITRATION AWARD, CONFLICTS WITH AN UNBROKEN LINE OF SUPREME COURT PRECEDENT REQUIRING DEFERENCE TO TRIBAL LEGAL INSTITUTIONS 23

A. TPL Should Have Been Required To Exhaust Its Tribal Court Remedies Before Challenging Tribal Court Jurisdiction In Federal Court 24

B. The Eleventh Circuit Erred By Considering And Rejecting The Merits Of The Tribal Court Orders Staying Arbitration And Vacating The Arbitration Awards 25

Contents

Page

C. This Case Affords This Court An Excellent Opportunity To Decide Whether A Tribal Court Clearly Has Jurisdiction To Adjudicate Tribal Member's Claims Against Non-Members Who Enter Into Consensual Business Relationships With The Tribe 27

CONCLUSION 29

TABLE OF CITED AUTHORITIES

Page

CASES

Am. Fire & Cas. Co. v. Finn, 341 U.S. 6 (1951) ... 22

AT&T Corp. v. Coeur D'Alene Tribe,
295 F.3d 899 (9th Cir. 2002) 26

Ayres v. General Motors,
234 F.3d 514 (11th Cir. 2000) 20, 21

Baltin v. Alaron Trading Corp.,
128 F.3d 1466 (11th Cir. 1997) 15

Bank One v. Shumake,
281 F.3d 507 (5th Cir. 2002) 24-25

Bonner v. RCC Assoc., Inc.,
679 So. 2d 794 (Fla. 3d DCA 1996) 27

California v. Cabazon Band of Mission Indians,
480 U.S. 202 (1987) 18

City of Detroit Pension Fund v.
Prudential Sec., Inc.,
91 F.3d 26 (6th Cir. 1996) 13

City of Huntsville v. City of Madison,
24 F.3d 169 (11th Cir. 1994) 19, 20

City of Indianapolis v. Chase Nat'l Bank,
314 U.S. 63 (1941) 7

Cited Authorities

Page

C & L Enters., Inc. v. Citizen Band Potawatomi Indian Tribe, 532 U.S. 411 (2001) 21

Collins v. Blue Cross Blue Shield, 103 F.3d 35 (6th Cir. 1996) 13

Dean Witter Reynolds, Inc. v. Sanchez Espada, 959 F. Supp. 73 (D.P.R. 1997) 12

Drexel Burnham Lambert, Inc. v. Valenzuela Bock, 696 F. Supp. 957 (S.D.N.Y. 1988) 12, 15, 16

Franchise Tax Bd. v. Construction Laborers Vacation Trust, 463 U.S. 1 (1983) 19, 21

Gibraltar, P.R., Inc. v. Otoki Group, Inc., 104 F.3d 616 (4th Cir. 1997) 12

Greenberg v. Bear Stearns & Co., 220 F.3d 22 (2d Cir. 2000) 13

Hamilton-Brown Shoe Co. v. Wolf Bros. & Co., 240 U.S. 251, 258 (1916) 7

Hartman v. Kickapoo Tribe Gaming Comm'n, 176 F. Supp. 2d 1168 (D. Kan. 2001) 17-18

Hughes Tool Co. v. Trans World Airlines, Inc., 409 U.S. 363 (1973) 7

Cited Authorities

Page

Iowa Mut. Ins. Co. v. LaPlante,
480 U.S. 9 (1987) ..... *passim*

Jimi Dev. Corp. v. Ute Mountain Ute Indian Tribe,
930 F. Supp. 493 (D. Colo. 1996) 18

Kasap v. Folger Nolan Fleming & Douglas, Inc.,
166 F.3d 1243 (D.C. Cir. 1999) 13, 15

Lindy v. Lynn,
501 F.2d 1367 (3d Cir. 1974) 19

Major League Baseball Players Ass'n v. Garvey,
532 U.S. 504 (2001) 7, 16, 17

Merrell Dow Pharm. Inc. v. Thompson,
478 U.S. 804 (1986) ..... *passim*

Mercer v. Theriot,
377 U.S. 152 (1964) 7

Minor v. Prudential Sec., Inc.,
94 F.3d 1103 (7th Cir. 1996) 13

Montana v. United States,
450 U.S. 544 (1981) 27, 28

Moses H. Cone Mem'l Hosp. v. Mercury Const. Corp.,
460 U.S. 1 (1983) 9, 14, 15

Cited Authorities

Page

National Farmers Union Ins. Cos. v. Crow Tribe,
471 U.S. 845 (1985) 24, 25, 27, 28

Nevada v. Hicks,
533 U.S. 353 (2001) .....i, 28-29

Oklahoma Tax Comm'n v. Graham,
489 U.S. 838 (1989) 22

PCS 2000 LP v. Romulus Telecomm., Inc.,
148 F.3d 32 (1st Cir. 1998) 18-19

Prudential-Bache Sec., Inc. v. Fitch,
966 F 2d 981 (5th Cir. 1992) 11

Saxon Fin. Group Inc. v. Goodman,
728 So. 2d 365 (Fla. 4th DCA 1999) 27

Smith Barney, Inc. v. Painters Local Union No. 109 Pension Fund,
976 F. Supp. 1293 (D. Neb. 1996) 12

Smith Barney, Inc. v. Sarver,
108 F.3d 92 (6th Cir. 1997) 12

Smith Barney, Inc. v. Weinhold,
124 F.3d 199 (6th Cir. 1997) 12

Strate v. A-1 Contractors,
520 U.S. 438 (1997) 28

Cited Authorities

Page

Touche Ross & Co. v. Redington,
442 U.S. 560 (1979) 18

United States v. Wheeler,
435 U.S. 313 (1978) 27

United Steelworkers v. Enterprise Wheel & Car Corp. Co.,
363 U.S. 564 (1960) 17

Virgin Islands Hous. Auth. v. Coastal Gen. Constr. Servs. Corp.,
27 F.3d 911 (3d Cir. 1994) 13, 19

Westmoreland Capital Corp. v. Findlay,
100 F.3d 263 (2d Cir. 1996) 11

Wilderness Soc'y v. Alcock,
83 F.3d 386 (11th Cir. 1996) 18

Wilson v. Marchington,
127 F.3d 805 (9th Cir. 1997) 26

Cited Authorities

Page

STATUTES

9 U.S.C. § 1, *et seq.* 2

25 U.S.C. § 461, *et seq.* 2

25 U.S.C. § 2701, *et seq.* 2, 18

25 U.S.C. § 2710 18

28 U.S.C. § 1254(1) 2

28 U.S.C. § 1331 ..... 8, 19

§ 682.02, Fla. Stat., *et seq.* 4

OTHER AUTHORITY

S. Rep. 100 Cong., No. 100-446, *reprinted in* 1988 U.S.C.C.A.N. 3071 18

TABLE OF APPENDICES

Page

Appendix A — Opinion And Final Judgment Of The United States Court Of Appeals For The Eleventh Circuit Dated And Filed April 15, 2002 ..... 1a

Appendix B — Order And Final Judgment Of The United States District Court For The Southern District Of Florida Dated And Filed March 12, 2001 ..... 7a

Appendix C — Order And Final Judgment Of The United States District Court For The Southern District Of Florida Dated And Filed June 12, 2001 ..... 46a

Appendix D — Order Of The United States District Court For The Southern District Of Florida Dated And Filed April 13, 2001 ..... 50a

Appendix E — Order Of The Miccosukee Tribal Court Dated September 16, 1993 ..... 52a

Appendix F — Order Of The Miccosukee Tribal Court Dated October 11, 1993 ..... 54a

Appendix G — Award And Decision Of Commercial Arbitration Tribunal Dated October 6, 1993 .... 57a

Appendix H — Opinion Of The United States Court Of Appeals For The Eleventh Circuit Dated And Filed June 7, 1999 ..... 74a

Appendices

Page

Appendix I — Order Of The United States District Court For The Southern District Of Florida On Pending Motions Dated And Filed September 27, 1996 ..... 103a

Appendix J — Opinion Of The United States Court Of Appeals For The Eleventh Circuit Dated August 16, 1995 ..... 110a

Appendix K — Order Of The United States District Court For The Southern District Of Florida On Defendants' Motions To Dismiss Dated, Decided And Filed February 28, 1994 ..... 167a

Appendix L — Opinion Of The United States Court Of Appeals For The Eleventh Circuit Dated August 16, 1993 ..... 199a

Appendix M — Second Omnibus Order Of The United States District Court For The Southern District Of Florida Dated And Decided August 19, 1992 ..... 214a

Appendix N — Omnibus Order Of The United States District Court For The Southern District Of Florida Dated And Decided March 5, 1992 ..... 235a

Appendix O — Order Of The United States Court Of Appeals Denying Petition(s) For Rehearing En Banc Filed June 24, 2002 ..... 246a

Appendices

	Page
Appendix P — Relevant Statute, 25 U.S.C. § 2701, *et seq.*	248a
Appendix Q — Relevant Statute, 9 U.S.C. § 1, *et seq.*	266a
Appendix R — Excerpts From Brief In Opposition To The Petition For A Writ Of Certiorari Filed In Tamiami III At Page 18	285a

Petitioner Miccosukee Tribe of Indians of Florida respectfully prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Eleventh Circuit in this case.

OPINIONS BELOW

The Eleventh Circuit has issued four opinions in this dispute, including three published opinions following interlocutory appeals, and one unpublished opinion affirming a final summary judgment.

The final judgment of the United States Court of Appeals for the Eleventh Circuit is found at *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida* ("*Tamiami IV*"), No. 01-12356 (11th Cir. April 15, 2002) (unpublished). Petitioner's Appendix A (hereinafter "App."). The orders appealed from are found at App. B, C and D.

The three interlocutory Eleventh Circuit Opinions are reported at: *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida*, 177 F.3d 1212 (11th Cir. 1999) ("*Tamiami III*"), *cert. denied*, 529 U.S. 1018 (2000), App. H; *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida*, 63 F.3d 1030 (11th Cir. 1995) ("*Tamiami II*"), App. J; *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida*, 999 F.2d 503 (11th Cir. 1993) ("*Tamiami I*"), App. L.

Previous district court opinions are found at: *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida* (unpublished opinion) dated September 27, 1996, App. I; *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida*, 898 F. Supp. 1549 (S.D. Fla. 1994), App. K; *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida*, 803

F. Supp. 401 (S.D. Fla. 1992), App. M; *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida*, 788 F. Supp. 566 (S.D. Fla. 1992), App. N.

STATEMENT OF JURISDICTION

The judgment of the United States Court of Appeals for the Eleventh Circuit was entered on April 15, 2002. App. A. The court denied Rehearing and Rehearing En Banc, on June 24, 2002. App. O. Jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

STATUTES INVOLVED

The relevant portions of the Indian Gaming Regulatory Act ("IGRA"), 25 U.S.C. § 2701, *et seq.*, and the Federal Arbitration Act ("FAA"), 9 U.S.C. § 1, *et seq.*, can be found at App. P and App. Q, respectively.

STATEMENT OF THE CASE

This action arose from a dispute between the Miccosukee Tribe of Indians of Florida ("Tribe"), and Tamiami Partners, Ltd. ("TPL") regarding provisions in a Management and Economic Development Agreement ("Agreement") entered into between the Tribe and Tamiami Development Corp. ("TDC").[1] The Tribe is federally recognized and organized under the Indian Reorganization Act of 1934, 25 U.S.C. § 461, *et seq.*, with a Constitution and by-laws approved pursuant to that Act. The Tribe was the owner of Miccosukee

1. The published *Tamiami* opinions contain some of the facts. However, these decisions were issued following interlocutory appeals and, therefore, the facts were based on allegations in TPL's complaints.

Indian Bingo ("MIB"), and TDC was the managing company which assigned the Agreement to TPL.

The litigation leading to the arbitration began after the Tribe gave notice of its intent to terminate the Agreement based on numerous breaches by TPL and TPL requested arbitration. The Tribe filed a Statement of Claim in Miccosukee Tribal Court ("Tribal Court") alleging that TPL had repeatedly violated its contractual obligations in the Agreement. Some of these breaches included failure to comply with Indian preference laws, failure to submit a proposed budget to the Tribe, failure to submit a plan for hiring and training tribal members, denying the Chairman of the Tribe access to tribal records, and selection of a program director for MIB without consulting the Tribe. Approximately five months after the action was filed, the Tribal Court ordered arbitration.

The day after the Tribe filed its claims in Tribal Court, TPL filed a complaint in federal court requesting injunctive relief and arbitration of the dispute. Under Article 23 of the Agreement, the Tribe waived sovereign immunity for a suit brought by TDC to compel arbitration, or to enforce the arbitration award. App. 76a-77a. The Tribe did not waive sovereign immunity to any claims under IGRA.

Following the district court's denial of TPL's motion for injunctive relief, TPL appealed to the Eleventh Circuit. While TPL's appeal was pending, the district court issued another order, this time granting injunctive relief to TPL, after the Tribal Gaming Agency denied licenses to TPL, TDC and two principals. The Tribe, and the MIB conservator appointed by the Tribe, appealed; the appeals were consolidated. The United States Department of Justice filed an amicus brief

in support of the Tribe asserting that "the district court did not have subject matter jurisdiction because contract interpretation does not arise under federal law." App. 207a.

On August 16, 1993, the Eleventh Circuit issued its first of four decisions. *Tamiami I* found that the court lacked subject matter jurisdiction because TPL's complaint did not assert any claims arising under federal law, the parties could not, by consent, expand the jurisdiction of federal courts, and the federal court only had jurisdiction to hear challenges to the Tribal Court's jurisdiction after a full opportunity for Tribal Court determination of jurisdictional questions. App. 210a-212a. The case was remanded to the district court. App. 213a.

The arbitration panel, selected pursuant to the Tribal Court's order to arbitrate, conducted preliminary arbitration proceedings. Both the Tribe and TPL filed their claims in the arbitration. Before the final arbitration hearing was held, TPL filed an Amended Complaint in federal district court that sought alternative relief over the same subject matter that the Tribal Court had ordered to arbitration. The Amended Complaint relied on IGRA, the Commerce Clause, and unspecified federal law.

Two days after TPL filed the Amended Complaint in federal district court, the Tribe requested and obtained a stay of the arbitration from the Tribal Court. App. E. Notwithstanding the stay, and in direct violation of notice, jurisdictional and other requirements of Florida Statutes § 682.02, *et seq.*, two of the three arbitrators proceeded to hold an *ex parte* arbitration hearing. Following that hearing, the two arbitrators issued an "award" in favor of TPL. App. G.

The only claim "adjudicated" by the two arbitrators was TPL's claim 4, a claim alleging that David Ingenito, an employee of MIB, was improperly terminated. App. 65a. TPL and/or the arbitrators had dismissed all other TPL claims. Claim 4 did not request reinstatement of TPL or any TPL principals involved with MIB, nor did it request damages for any refusal by the Tribe to reinstate TPL. The two arbitrators denied the Tribe's claims. App. 65a-66a. The Tribe obeyed the Tribal Court stay and did not participate in the hearing. In the "award" the two arbitrators made a non-binding suggestion to the Tribe to pay TPL $9.5 million to resolve the dispute. App. 66a-67a. The "award" did not purport to give TPL $9.5 million because the arbitrators did not have any such claim for resolution. App. G. The non-participating arbitrator filed objections to the award ("the Dissent"). App. 69a-73a.

On October 11, 1993, the Tribal Court vacated the "award" on the grounds that it was rendered in violation of the Tribal Court's stay order and in violation of Florida law. App. F. TPL did not seek review of the Tribal Court order.

The Tribe took a second interlocutory appeal to the Eleventh Circuit and on August 16, 1995, the Eleventh Circuit issued a second opinion. App. J. *Tamiami II* concluded that the district court had subject matter jurisdiction on all three claims because each claim arose under the laws of the United States. App. 155a-157a. The court dismissed two of the three claims in the Amended Complaint. App. 153a-154a, 158a-165a. The panel in *Tamiami II* concluded that the breach of contract claim arose under federal law because "the Agreement incorporates — by operation of law if not by reference — the provisions of IGRA

and the NIGC's regulations that govern MIB's operations," App. 155a and remanded the claim against the individual defendants cautioning that TPL had to show IGRA provided a cause of action. App. 166a. After remand, TPL did not show such a cause of action under IGRA and instead filed the Second Amended Complaint.

The Second Amended Complaint asserted six claims against the Tribe. An interlocutory appeal followed the denial of the Tribe's motion to dismiss that complaint.[2] In *Tamiami III*, the Eleventh Circuit dismissed all counts except Count II (seeking enforcement of the arbitration award) and Count III (seeking to compel the Tribe to engage in further arbitration). Count I remained only to the extent TPL sought a declaration that disputes relating to the Agreement were arbitrable. App. 98a-99a. *Tamiami III* found that there was subject matter jurisdiction because, just as the claims arose under federal law in *Tamiami II* by incorporation of IGRA into the Agreement, App. 93a-94a, federal law was "equally implicated when the claims were presented in the arbitration context." *Id.* Relying on section 4 of the FAA in particular, the court stated:

> The Federal Arbitration Act empowers a district court to issue an order compelling arbitration if the court, "save for [the arbitration] agreement, would have jurisdiction under title 28, in a civil action . . . of the subject matter of a suit arising out of the controversy between the parties." 9 U.S.C. § 4 (1994). Thus, it is appropriate for us

2. The opinions in *Tamiami III* and *IV* both involved TPL's Second Amended Complaint. *Tamiami III* was an interlocutory appeal, and *Tamiami IV* was the appeal from the grant of summary judgment by the district court.

> to "look through" Tamiami's arbitration request at the underlying licensing dispute in order to determine whether Tamiami's complaint states a federal question.

App. 94a, n.11. The case was again remanded to the district court.

The Tribe filed a Petition for Writ of Certiorari from the decision in *Tamiami III*. In its brief in opposition to the Tribe's petition, TPL argued that certiorari review from an interlocutory appeal was "greatly disfavored" and that this Court should not grant certiorari because the case was not ripe for review. App. R. This Court denied the Tribe's request for certiorari in *Tamiami III*. The case is now ripe for review. This Petition is from a final order granting summary judgment on Count II of the Second Amended Complaint [TPL's request to enforce the "award"] in which the district court ordered the Tribe to pay TPL approximately $18 million in damages and interest, App. B, C and D, even though no claim for damages was ever adjudicated in arbitration.[3]

---

3. This Court can review all interlocutory decisions for errors, even those where certiorari was previously denied. *See Mercer v. Theriot*, 377 U.S. 152, 153-54 (1964); *Hughes Tool Co. v. Trans World Airlines, Inc.*, 409 U.S. 363, 365 n.1 (1973); *City of Indianapolis v. Chase Nat'l Bank*, 314 U.S. 63, 74-75 (1941). This Court has the authority to consider questions determined in earlier stages of litigation where certiorari is sought from the most recent of the judgments of the court of appeals. *Major League Baseball Players Ass'n v. Garvey,* 532 U.S. 504, 508 n.1 (2001), citing *Mercer supra,* 377 U.S. 152 and *Hamilton-Brown Shoe Co. v. Wolf Bros. & Co.*, 240 U.S. 251, 258 (1916). This Petition for Certiorari seeks to review the published opinions in *Tamiami II and III* as well as the unpublished opinion in *Tamiami IV*. The decisions in *Tamiami* represent an unprecedent expansion of federal question jurisdiction, they present a direct conflict with decisions in other circuits and they incorrectly interpret binding precedent from this Court.

The district court's order not only misinterpreted the "award" but fashioned its own award. App. 37a. *Tamiami IV* affirmed the district court concluding the federal court had subject matter jurisdiction:

> This Court has twice ruled that the district court has jurisdiction to hear this case because it implicates the Indian Gaming Regulatory Act. *See Tamiami II*, 63 F.3d at 1048; and *Tamiami III*, 177 F.3d at 1223-24. There have been no changes to this case which would divest the district court of jurisdiction.

App. 3a. *Tamiami IV* rejected the Tribal Court's orders staying arbitration and vacating the award, App. 35a, and found that the Tribe's waiver of sovereign immunity subjected the Tribe to the jurisdiction of the federal court.

REASONS FOR GRANTING THE WRIT

This case presents important questions relating to the jurisdiction of federal and tribal courts, as well as the permissible scope of federal judicial review of tribal court's adjudications. Whether federal jurisdiction can be determined by looking through an arbitration to the underlying dispute is an issue that has divided the circuits and should be resolved by this Court. The majority of circuits have found that the federal nature of the claims submitted to arbitration is not a sufficient basis for subject matter jurisdiction under 28 U.S.C. § 1331 because the rights asserted in arbitration are actually based on a contract to arbitrate rather than the underlying substantive claims. The Eleventh Circuit's decisions in *Tamiami III* and *IV* have held that it is permissible to look through to the underlying claim in arbitration to establish

federal question jurisdiction. The holdings in the *Tamiami* decisions establish a direct conflict in the circuits and this Court should grant certiorari to resolve this conflict.

The conflict among the circuits regarding whether a court may look to the underlying claim to determine jurisdiction, derives in part from certain language in this Court's opinion in *Moses H. Cone Memorial Hospital v. Mercury Construction Corp.*, 460 U.S. 1 (1983). Language in *Moses H. Cone* suggests that FAA § 4 would provide federal jurisdiction if the underlying dispute gives the court jurisdiction. The clear weight of authority rejects such an interpretation, but the Eleventh Circuit in the *Tamiami* decisions interpreted FAA § 4 as providing jurisdiction if there is an underlying federal claim in the arbitration. This Court should grant certiorari to clarify the confusion which is compounded by the Eleventh Circuit's decisions in *Tamiami*.

The decisions in *Tamiami II*, *III* and *IV* also present the Court with the opportunity to decide whether invoking a federal statute that provides no private right of action can provide a federal question which is sufficiently substantial to confer jurisdiction. Courts of appeals are divided as to whether this Court's decision in *Merrell Dow Pharmaceuticals Inc. v. Thompson*, 478 U.S. 804, 808 (1986) states a bright line rule that a Congressional determination that there should be no remedy under a federal statute is tantamount to a conclusion that the presence of a federal claim as an element of a state cause of action is insufficiently substantial to confer federal question jurisdiction. The language in *Merrell Dow* should be clarified. Granting the Petition will also resolve an intra-circuit conflict in the Eleventh Circuit regarding the interpretation of *Merrell Dow*.

Another important reason why certiorari should issue is to address the scope of deference that is due rulings by Tribal Courts and their jurisdiction over non-Indians in cases involving tribal lands. The arbitrators and TPL ignored an order of the Tribal Court staying the arbitration and the district court disregarded the Tribal Court's order vacating the "award." On more than one occasion, this Court has strongly suggested that the power to regulate consensual relationships includes the power to adjudicate claims by tribal members against non-members. The extent of tribal court jurisdiction over non-members is an important issue which should be addressed by this Court.

I. THE DECISIONS IN *TAMIAMI III* AND *TAMIAMI IV* ARE IN DIRECT CONFLICT WITH SUPREME COURT AND CIRCUIT COURT DECISIONS ON THE SCOPE OF FEDERAL QUESTION JURISDICTION.

A. The Court Should Resolve The Conflict In The Circuits On Whether The Presence Of A Federal Question In The Underlying Claims In Arbitration Is Sufficient To Confer Jurisdiction.

The Eleventh Circuit erroneously concluded that the district court had jurisdiction over TPL's claims requesting arbitration and requesting to enforce the "award" because the underlying arbitral dispute "implicate[] the Indian Gaming Regulatory Act." *Tamiami IV*, App. 3a, citing *Tamiami III*, 177 F.3d at 1223. The Eleventh Circuit's decisions in *Tamiami III* and *IV* conflict with the majority of circuits, which have decided that the nature of the underlying arbitral dispute is irrelevant for purposes of determining subject matter jurisdiction under the FAA.

In *Tamiami III* the court held that the first three counts of the Second Amended Complaint "state[d] a federal question insofar as they relate[d] to the Tribe's rejection of gaming license applications." App. H.[4] In doing so, the court determined that "it is appropriate for us to 'look through' *Tamiami's* arbitration request at the underlying licensing dispute in order to determine whether *Tamiami*'s complaint states a federal question." App. H n.11. *Tamiami IV* relied on *Tamiami II* and *III* finding subject matter jurisdiction because "it implicates the Indian Gaming Regulatory Act." App. 3a.

The Circuit courts are split on whether FAA § 4, relating to claims to compel or enjoin arbitration proceedings, allows courts to premise federal subject matter jurisdiction on the presence of a federal question in the underlying claims in arbitration. The majority of the circuits which have addressed the issue with reference to FAA § 4, have held that courts may not consider a federal question in the underlying claims. *See Westmoreland Capital Corp. v. Findlay*, 100 F.3d 263, 268 (2d Cir. 1996) ("In sum, we find that the text of FAA § 4 should not be interpreted to mean that a federal court has subject matter jurisdiction over an action to compel or stay arbitration merely because the underlying claim raises a federal question."); *Prudential-Bache Sec., Inc. v. Fitch*, 966 F.2d 981, 989 (5th Cir. 1992) ("Federal jurisdiction did not

4. The first three counts of the Second Amended Complaint were: a claim to compel further arbitration, a claim to enforce the award, and a claim requesting a declaration that disputes over the Agreement were subject to arbitration. App. H.

vest over this action based on the federal character of the underlying [arbitration] claims of federal securities law violations."); *Smith Barney, Inc. v. Sarver*, 108 F.3d 92, 94 (6th Cir. 1997) ("the Federal Arbitration Act does not supply an independent basis for federal jurisdiction, nor does the federal nature of the underlying claims that were submitted to arbitration"); *Smith Barney, Inc. v. Weinhold*, 124 F.3d 199, 1997 WL561427, at *2 (6th Cir. 1997) (unpublished table decision) ("the federal nature of the [appellees'] RICO claims is not sufficient to establish federal question jurisdiction over [appellant's] petition to enjoin arbitration"); *see also Drexel Burnham Lambert, Inc. v. Valenzuela Bock*, 696 F. Supp. 957, 965 (S.D.N.Y. 1988) (Section 4 of FAA does not provide jurisdiction based on underlying arbitral dispute); *Smith Barney, Inc. v. Painters Local Union No. 109 Pension Fund*, 976 F. Supp. 1293, 1297 (D. Neb. 1996) ("Analyzing the propriety of federal question jurisdiction in this context does not permit the court to inquire as to the substantive nature of the underlying dispute."). Only one circuit court, the Fourth Circuit, has agreed with the Eleventh Circuit's decisions in *Tamiami III* and *Tamiami IV*. *See Gibraltar, P.R., Inc. v. Otoki Group, Inc.*, 104 F.3d 616, 618-19 (4th Cir. 1997) (considering the underlying arbitral claim but ultimately concluding that the underlying claim did not present a federal question); *see also Dean Witter Reynolds, Inc. v. Sanchez Espada*, 959 F. Supp. 73, 76 (D.P.R. 1997) ("because the underlying dispute involves claims under the Securities and Exchange Act, 15 U.S.C. § 78, the Court has federal question jurisdiction").

The Eleventh Circuit is the only court which has interpreted FAA §§ 9, 10, or 11[5] as permitting federal question jurisdiction based on the underlying claim in arbitration. App. 93a-95a. *See Greenberg v. Bear, Stearns & Co.*, 220 F.3d 22, 26 (2d Cir. 2000) ("Simply raising federal-law claims in the underlying arbitration is insufficient to supply this 'independent basis [of jurisdiction].'"); *Virgin Islands Hous. Auth. v. Coastal Gen. Constr. Servs. Corp.*, 27 F.3d 911, 915 (3d Cir. 1994) (for jurisdictional purposes, it is not permissible "to look beyond the complaint to the substance of the arbitrated dispute between the parties"); *Collins v. Blue Cross Blue Shield*, 103 F.3d 35, 38 (6th Cir. 1996) ("neither the FAA nor the underlying arbitrated claim provide an independent basis of federal jurisdiction in an action to confirm or vacate an arbitration award"); *City of Detroit Pension Fund v. Prudential Sec., Inc.*, 91 F.3d 26, 29 (6th Cir. 1996) ("the federal nature of the claims submitted to arbitration would not appear to be a sufficient basis for jurisdiction under 28 U.S.C. § 1331"); *Minor v. Prudential Sec., Inc.*, 94 F.3d 1103, 1106 (7th Cir. 1996) (rejecting the plaintiff's argument "that the federal character of the underlying [arbitrated] claims is sufficient to establish jurisdiction for purposes of [9 U.S.C.] § 10"); *Kasap v. Folger Nolan Fleming & Douglas, Inc.*, 166 F.3d 1243, 1247 (D.C. Cir. 1999) ("[9 U.S.C.] § 10 does not create federal question jurisdiction, even when the underlying arbitration involves federal law).

The *Tamiami* decisions conflict with the majority of circuits which reject the argument that the federal character of the underlying claims in arbitration is sufficient to establish

5. Because, for current purposes, the language of FAA §§ 9, 10, and 11 is identical, courts have applied the same analysis to all three sections.

jurisdiction under the FAA. The Court should grant the Petition for Writ of Certiorari to resolve the conflict in the circuits.

1. *This Court Should Clarify Its Decision In Moses H. Cone And Resolve The Confusion That Exists As To Whether FAA § 4 Confers Jurisdiction If There Is An Underlying Federal Claim.*

The conflict in the circuits with regard to FAA § 4 has arisen, in large part, from confusion over language in this Court's decision in *Moses H. Cone*. In that case, this Court stated that FAA § 4 allows an order compelling arbitration only when the federal district court would have jurisdiction over the underlying dispute. *Id.* at 25 n.32. The language in footnote 32 has been used by some courts to support the proposition that one can look to the underlying claim in arbitration to establish jurisdiction. Most courts have rejected this reading of FAA § 4 but, at least one court which rejected that interpretation, concluded that *Moses H. Cone* suggested as much:

> The first difficulty with appellant's argument is that *despite § 4's language, it is not at all clear that even that wording creates a basis for federal question jurisdiction. Admittedly, the Supreme Court suggested as much, see Moses H. Cone*, 460 U.S. at [25] n.32, 103 S.Ct. 927 ("Section 4 provides for an order compelling arbitration only when the federal district court would have jurisdiction over a suit on the underlying dispute. . . ."), but the clear weight of authority rejects that proposition.

Kasap, 166 F.3d at 1246 (emphasis supplied). The confusion exists because FAA § 4 "includes language that specifically refers to what appears to be the basis for federal question *jurisdiction*." *Kasap v. Folger Nolan Fleming & Douglas, Inc.*, 166 F.3d 1243, 1246 (D.C. Cir. 1999). At the time the D.C. Circuit decided *Kasap*, *Tamiami III* had not been decided. The court in *Kasap* stated that only the Fourth Circuit, and several district courts, had construed FAA § 4 as creating a basis for federal question jurisdiction.[6] *Id.* at 1247. Now, both *Tamiami III* and *IV* have clearly construed Section 4 as creating such a basis and this Court should grant certiorari to resolve the direct conflict in the circuits, and to clarify the confusion arising from the language in *Moses H. Cone*.

2. *The Tamiami Decisions' Drastic Expansion Of Federal Jurisdiction Is An Important Issue Of Federal Law That Should Be Reviewed By This Court.*

The court in *Drexel* noted that if the FAA is "construed to provide for a federal forum whenever the underlying dispute involves a federal question, it must be seen as overturning the well-established rule that under § 1331 federal question jurisdiction must be determined based on the face of the 'well-pleaded complaint.' " 696 F. Supp. at 963.

As this Court stated in *Merrell Dow*, "[u]nder our long standing interpretation of the current statutory scheme, the

6. In a footnote in *Baltin v. Alaron Trading Corp.*, 128 F.3d 1466, 1472 n.15 (11th Cir. 1997), the Eleventh Circuit, in dicta, stated that Section 4 "appear[] *to confer jurisdiction on a federal court to issue . . . [an order] to compel arbitration. . . .*"

question of whether a claim 'arises under' federal law must be determined by reference to the 'well-pleaded complaint.' " *Id.* at 808. The *Tamiami* decisions conflict with *Merrell Dow* and represent a drastic change in the scope of federal court activity by allowing federal question jurisdiction to be established by looking beyond the face of Plaintiff's well-pleaded complaint to the merits of the arbitration. Certiorari should be granted to review this expansion of federal jurisdiction.

Moreover, to construe FAA § 4 as conferring jurisdiction because of its unique language, but construing all other sections of the FAA as not providing jurisdiction, results in an incomprehensible distinction. *Drexel*, 696 F. Supp. at 963. This Court should grant certiorari to resolve the confusion which has resulted from conflicting interpretations of the various sections of the FAA.

This case also offers the Court an opportunity to review the scope and role of district courts in enforcing arbitration awards pursuant to FAA § 9. The district court reviewed the merits of the award and fashioned its own relief. The award issued by the two arbitrators did not give TPL $9.5 million. It simply reinstated an employee of MIB. The award made a suggestion that the Tribe could offer TPL the sum of $9.5 million to resolve the Tribe's claim for termination of the Agreement. The district court created its own award and gave TPL approximately $18 million. Such a review is contrary to precedent from this Court which precludes district courts from resolving the merits of a dispute and impermissibly expands the scope of federal activity with regard to FAA § 9. *See Major League Baseball Players Ass'n v. Garvey*, 532 U.S. 504 (2001) (established law precludes a court from resolving the merits of a dispute on the basis of its own factual

determinations, no matter how erroneous the arbitrator's decisions) and *United Steelworkers v. Enterprise Wheel & Car Corp.*, 363 U.S. 593, 598-99 (1960) (courts cannot review merits of arbitrator's decision). This Court should clarify its decisions in *Garvey* and *Steelworkers* regarding the scope of the district court's authority under FAA § 9.

B. Even Assuming The Underlying Claim In Arbitration Was Relevant To The Jurisdictional Inquiry, The Eleventh Circuit's Decisions Incorrectly Found A Substantial Federal Question Based On A Statute That Confers No Express Or Implied Right Of Action.

1. *Because The Indian Gaming Regulatory Act Provides No Express Or Implied Right Of Action To Management Contractors Against Indian Tribes, There Is No Federal Question Jurisdiction.*

Even if it were permissible to look beyond the complaint to the substance of the arbitration, no federal question is present here because the federal statute invoked, IGRA, does not give TPL a private right of action against the Tribe. The Eleventh Circuit concluded that there was subject matter jurisdiction because federal law was implicated by the underlying IGRA claim. *Tamiami IV* App. 3a and *Tamiami III*, App. 94a, citing *Tamiami II*, 63 F.3d at 1047. Significantly, none of the *Tamiami* opinions specify what provision of IGRA gives TPL a claim against the Tribe.[7]

7. Every court that has reviewed the issue, including the Eleventh Circuit in *Tamiami II* with regard to the individual defendants, has found no private right of action under IGRA. *See, e.g., Tamiami II*, 63 F.3d at 1049; *Hartman v. Kickapoo Tribe* (Cont'd)

TPL is not the proper party to bring a suit under IGRA against the Tribe, *see, e.g.*, *Wilderness Soc'y v. Alcock*, 83 F.3d 386 (11th Cir. 1996), and cannot rely on IGRA to confer federal question jurisdiction. There can be no federal question because IGRA does not provide any party with a claim against the Tribe.

The *Tamiami* decisions conflict with *Merrell Dow*'s holding that Congress' decision to provide no private remedy "is tantamount to a congressional conclusion that the presence of a claimed violation of the statute as an element of a state cause of action is insufficiently 'substantial' to confer federal-question jurisdiction." *Merrell Dow*, 478 U.S. at 814; *see also PCS 2000 LP v. Romulus Telecomm., Inc.*, 148 F.3d

---

(Cont'd)
Gaming Comm'n, 176 F. Supp. 2d 1168, 1175 (D. Kan. 2001); *Jimi Dev. Corp. v Ute Mountain Ute Indian Tribe*, 930 F. Supp. 493 (D. Colo. 1996). Indeed, nothing in the face of IGRA, gives management contractors a claim against tribes. IGRA provides a remedial scheme for gaming compacts between tribes and states. 25 U.S.C. § 2710. IGRA's regulatory scheme was intended to protect tribes' pre-existing rights, *see California v. Cabazon Band of Mission Indians*, 480 U.S. 202 (1987), but there is no provision in the scheme for a private right of action for management contractors to seek review of a tribe's decisions on gaming licenses. There is also nothing in IGRA's legislative history to indicate that Congress intended to create a private right of action against tribes. *Touche Ross & Co. v. Redington*, 442 U.S. 560 (1979). IGRA was enacted for the benefit of tribes to promote tribal economic prosperity, tribal self-sufficiency and strong tribal governments. 25 U.S.C. § 2701(4). The legislative history of IGRA discusses the governmental interests of the tribes and the benefits to tribes of negotiations with states for gaming. *See* S. Rep. 100 Cong., No. 100-446, *reprinted in* 1988 U.S.C.C.A.N. 3071, 3083-84. TPL has never argued, and would have no basis to argue, that it has a private right of action against the Tribe under IGRA.

32, 35 (1st Cir. 1998) (holding that underlying state law dispute would not confer federal jurisdiction in action to stay arbitration where federal statute did not provide a private right of action).

An action under 28 U.S.C. § 1331(a) arises only if the complaint seeks a remedy expressly granted by federal law or if the action requires construction of a federal statute, or at least a distinctive policy of a federal statute requires the application of federal legal principles. *Virgin Islands Hous. Auth.*, 27 F.3d at 916 (citing *Lindy v. Lynn*, 501 F.2d 1367, 1369 (3d Cir. 1974)). The fact that a contract is subject to federal regulation does not mean that Congress intended all aspects of its performance or nonperformance to be governed by federal law. The Eleventh Circuit's opinions conflict with the decisions in *Merrell Dow* and *Franchise Tax Board v. Construction Laborers Vacation Trust*, 463 U.S. 1 (1983).

In *Franchise Tax Board*, the questions in dispute encompassed an interpretation of federal law. *Id.* at 15. Here, the request to enforce the award and to compel further arbitration do not encompass any interpretation of federal law. Simply referencing IGRA in a complaint which seeks contract remedies fails to create subject matter jurisdiction where none exists. The fact that no private right of action exists against tribes under IGRA is conclusive to a determination that the federal claim is insubstantial.

2. *The Tamiami Decisions Compound An Existing Intra-Circuit Conflict And Conflict With This Court's Decision In Merrel Dow.*

In *City of Huntsville v. City of Madison*, 24 F.3d 169 (11th Cir. 1994) the Eleventh Circuit concluded that *Merrell Dow*'s language that a "Congressional decision to preclude

a federal private remedy 'is tantamount' to a Congressional conclusion that a claimed violation of that statute does not present a federal interest substantial enough to confer federal question jurisdiction" could not be read as establishing a bright line rule that federal courts should not exercise federal question jurisdiction where a federal statute without a private remedy is incorporated in a state cause of action:

> According to the Court [in *Merrell Dow*], a Congressional decision to preclude a federal private remedy "is tantamount" to a Congressional conclusion that a claimed violation of that statute does not present a federal interest substantial enough to confer federal question jurisdiction. *Nonetheless, the Supreme Court did not expressly retreat from Franchise Tax Board in Merrell Dow, and we are unwilling to read Merrell Dow so broadly as to do what the Supreme Court did not expressly do.* We conclude that it will be only the exceptional federal statute that does not provide for a private remedy but still raises a federal question substantial enough to confer federal question jurisdiction when it is an element of a state cause of action.

24 F.3d at 174 (citations omitted) (emphasis supplied).

In contrast, in *Ayres v. General Motors*, 234 F.3d 514 (11th Cir. 2000) the court stated:

> Plaintiffs are correct that *Merrell Dow* holds that a claim does not arise under federal law where "a complaint alleg[es] a violation of a federal statute as an element of a state cause of action, when Congress has determined that there should be no private, federal cause of action for the violation."

> ("The significance of the necessary assumption that there is no federal cause of action thus cannot be overstated.").

Id. at 519 n.8 (citations omitted). *Ayres* found that the statutes at issue there did provide a private right of action.

The *Tamiami* decisions compound the intra-circuit conflict and improperly expand federal question jurisdiction. This Court should grant certiorari to resolve the issue of whether *Merrell Dow* establishes a bright line rule that federal courts should not exercise federal question jurisdiction where a federal statute without a private remedy is incorporated in a state cause of action and whether such a bright line rule would "retreat" from *Franchise Tax Board*. Even if such a bright line rule was not set by *Merrell Dow*, the Court should offer guidance as to what "exceptional" statute would provide federal jurisdiction where no private right of action exists.

3. *The waiver of sovereign immunity did not confer jurisdiction*

Relying on *C & L Enters. Inc. v. Citizen Band Potawatomi Indian Tribe*, 532 U.S. 411 (2001), *Tamiami IV* found that the Tribe's waiver of immunity in the Agreement subjected the Tribe to the jurisdiction of the federal court. App. 3a.

Potawatomi establishes that a waiver of sovereign immunity would permit a tribe to be sued in a state or federal court that otherwise has jurisdiction over the subject matter in dispute. 532 U.S. at 412-13. As explained above, TPL's action to compel arbitration and to enforce an arbitration award regarding a state law breach of contract claim does

not give rise to federal question jurisdiction irrespective of whether sovereign immunity has been waived. *See Okla. Tax Comm'n v. Graham*, 489 U.S. 838, 841 (1989) (finding that state-law tax claims do not arise under federal law, and thus there is no independent basis for original federal jurisdiction even though the asserted tribal immunity in that case, a federal defense, is governed under federal law); *Am. Fire & Cas. Co. v. Finn*, 341 U.S. 6, 18 n.17 (1951) (finding that the consent of the parties cannot expand the jurisdiction of federal courts because it would allow federal courts to become the "common resort of persons who have no right, either under the Constitution or the laws of the United States, to litigate in those courts"). *Tamiami I* held that the Tribe's waiver of sovereign immunity was of no import with regard to federal jurisdiction. App. L. "Even though the parties' agreement contains a limited waiver of the Tribe's sovereign immunity, this waiver cannot grant federal question jurisdiction where it otherwise would not exist — that is, this state law breach of contract claim is not appropriate for federal court jurisdiction." App. L. Because there is no diversity of parties, or the presence of a federal question, there is no basis for federal jurisdiction.[8]

---

8. Moreover, irrespective of the issue of federal question jurisdiction, the Tribe's waiver here was only a limited waiver to contract claims and not to any possible federal claims under IGRA.

II. THE ELEVENTH CIRCUIT'S REJECTION OF THE TRIBAL COURT'S ORDERS STAYING THE ARBITRATION, AND SUBSEQUENTLY VACATING AN ARBITRATION AWARD, CONFLICTS WITH AN UNBROKEN LINE OF SUPREME COURT PRECEDENT REQUIRING DEFERENCE TO TRIBAL LEGAL INSTITUTIONS.

This Court has "repeatedly recognized the Federal Government's longstanding policy of encouraging tribal self-government," as well as the "vital role played by tribal courts in tribal self-government." *Iowa Mut. Ins. Co. v. LaPlante*, 480 U.S. 9, 14 (1987). For this reason, this Court held that tribal court remedies must be exhausted before a tribal court decision can be challenged in federal court. *Id.* at 16-17. Furthermore, once tribal remedies are exhausted, a federal court challenge to a tribal court ruling is limited to the claim that the tribal court lacked jurisdiction; the decision cannot be challenged on the merits. *Id.* at 19.

This Court should review the decision below because it directly conflicts with precedent from this Court regarding tribal exhaustion requirements. The court exercised jurisdiction over TPL's challenge to the Tribal Court's orders which stayed the arbitration and then vacated the arbitration award, App. 35a-36a, even though TPL had not first exhausted its Tribal Court remedies. The lower court compounded this error by not limiting its review to whether the Tribal Court had jurisdiction, but instead addressing and rejecting the Tribal Court's rulings on the merits. App. 35a.

This Court should also review this case because it presents an important question regarding the fundamental relationship between the authority of the Tribal Court of a

sovereign Indian tribe and the jurisdiction of the federal courts. The authority of tribes to regulate consensual commercial transactions with non-Indians on tribal lands is of fundamental importance to Tribes. Disputes between Indians and non-Indians are occurring with greater frequency because Indian gaming has greatly increased business transactions with tribes. This Court should provide guidance regarding these important issues.

A. TPL Should Have Been Required To Exhaust Its Tribal Court Remedies Before Challenging Tribal Court Jurisdiction In Federal Court.

In *National Farmers Union Insurance Cos. v. Crow Tribe*, 471 U.S. 845 (1985), this Court explained that the question of tribal court jurisdiction should be examined in the first instance in the tribal court itself:

> Our cases have often recognized that Congress is committed to a policy of supporting tribal self-government and self-determination. That policy favors a rule that will provide the forum whose jurisdiction is being challenged the first opportunity to evaluate the factual and legal bases for the challenge.

Id. at 857. As this Court explained in *Iowa Mutual*, "the federal policy supporting tribal self-government directs a federal court to stay its hand in order to give the tribal court a 'full opportunity to determine its own jurisdiction.' " *Id.* at 16. The Fifth Circuit Court of Appeals has correctly recognized that this tribal exhaustion requirement applies with equal force to tribal court rulings regarding arbitration. *See Bank One v. Shumake*, 281 F.3d 507, 514-15 (5th Cir.

2002) (holding that the tribal exhaustion doctrine applies to suits to compel arbitration under the Federal Arbitration Act).

In this case, the Tribal Court entered orders staying the arbitration and vacating the ex parte arbitration award, which was rendered in violation of the Tribal Court's stay order. App. E and F. TPL did not challenge these rulings in the Tribal Courts, nor did it appeal these decisions. Instead TPL filed an action in federal court. The Eleventh Circuit violated the clear mandate of *National Farmers* and *Iowa Mutual* by entertaining TPL's challenges to Tribal Court jurisdiction without giving the Tribal Court a "full opportunity to determine its own jurisdiction."

B. The Eleventh Circuit Erred By Considering And Rejecting The Merits Of The Tribal Court Orders Staying Arbitration And Vacating The Arbitration Awards.

On July 16, 1992 the Tribal Court ordered the Tribe and TPL to arbitrate the disputes arising from the Tribe's Statement of Claim. App. 79a. The Tribal Court stayed the arbitration on September 16, 1993 and, on October 11, 1993, the Tribal Court vacated the October 6, 1993 *ex parte* arbitration award. App. E and F. In *Iowa Mutual*, this Court held that unless a federal court determines that the tribal court lacked jurisdiction, proper deference to the tribal court system precludes relitigation of issues resolved in the tribal courts. *Iowa Mutual*, 480 U.S. at 19; *see also Tamiami I*, 999 F.2d at 508 n.12.[9] The district

9. There is also a conflict between *Tamiami I*'s conclusion that proper deference should be given to the Tribal Court's decisions and the other *Tamiami* decisions which allow review of an arbitration "award" issued after the Tribal Court had stayed the arbitration and vacated the "award."

court ignored the doctrine in *Iowa Mutual* by ignoring the Tribal Court's orders and purporting to enforce an award.

Until the Eleventh Circuit's decision, the lower federal courts uniformly followed this Court's holding that tribal court rulings on the merits should not be disturbed as long as the tribal court had jurisdiction to entertain the suit. *See, e.g., Wilson v. Marchington*, 127 F.3d 805, 809-10 (9th Cir. 1997) (holding that principles of comity not full faith and credit require recognition of tribal court judgments);[10] *AT&T Corp. v. Coeur D'Alene Tribe*, 295 F.3d 899, 903-04 (9th Cir. 2002) ("Unless the district court finds the tribal court lacked jurisdiction or withholds comity for some other valid reason, it must enforce the tribal court judgment without reconsidering issues decided by the tribal court.").

The Tribal Court vacated the ex-parte arbitration award because: it was rendered in defiance of the Tribal Court stay; the arbitration was conducted *ex parte* by only two of the three arbitrators; there was insufficient notice; and the arbitrators held the hearing after their jurisdiction had expired. App. F. The district court and the Eleventh Circuit revisited these precise issues and concluded that the Tribal Court erred in vacating the arbitration award on these grounds. App. A. This Court should review this decision because it squarely conflicts with *Iowa Mutual* and fails to accord the proper deference and respect to the Tribal Court ruling.

---

10. Although this Court's holding in *Iowa Mutual* is clear, the rationale for the decision is not set forth. This case presents an excellent opportunity for this court to explain the basis and contours of the *Iowa Mutual* doctrine.

Moreover, the Tribal Court was correct in its rulings even if the merits were subject to review. Not only was the arbitration conducted beyond the jurisdictional time limits but it was contrary to Florida law which requires proper notice and the presence of three arbitrators. TPL had also waived any right to arbitration, under Florida law, by filing the Amended Complaint which sought money damages and injunctive relief. ("Tamiami's first claim, however, is simply a breach of contract claim for which it seeks money damages and injunctive relief." *Tamiami II*, 63 F.3d at 1048). A complaint that does not simply seek to preserve the *status quo* is a direct repudiation of arbitration and a waiver. *Saxon Fin. Group, Inc. v. Goodman*, 728 So. 2d 365, 365-66 (Fla. 4th DCA 1999); *Bonner v. RCC Assoc., Inc.*, 679 So. 2d 794, 795 (Fla. 3d DCA 1996).

C. This Case Affords This Court An Excellent Opportunity To Decide Whether A Tribal Court Clearly Has Jurisdiction To Adjudicate Tribal Member's Claims Against Non-Members Who Enter Into Consensual Business Relationships With The Tribe.

It is undisputed that Indian tribes are "unique aggregations possessing attributes of sovereignty over both their members and their territory." *Montana v. United States*, 450 U.S. 544, 563 (1981) (quoting *United States v. Wheeler*, 435 U.S. 313, 323 (1978)); *see also Nat'l Farmers Union Ins. Cos. v. Crow Tribe*, 471 U.S. 845, 851 (1985) ("The tribes also retain some of the inherent powers of self-governing political communities that were formed long before Europeans first settled North America."). This Court has squarely held that "[a] tribe may regulate, through taxation, licensing, or other means, the activities of

nonmembers who enter consensual relationships with the tribe or its members, through commercial dealing, contracts, leases or other arrangements." *Id.* at 565; *see also Strate v. A-1 Contractors*, 520 U.S. 438, 446 (1997) (same). "A tribe may also retain inherent power to exercise civil authority over the conduct of non-Indians on fee lands within its reservation when that conduct threatens or has some direct effect on the political integrity, the economic security, or the health or welfare of the tribe." *Montana*, 450 U.S. at 566.

On more than one occasion, this Court has strongly suggested that the power to regulate consensual relationships includes the power to adjudicate claims by tribal members against non-members arising out of such transactions. *Strate*, 520 U.S. at 453 ("where tribes possess authority to regulate the activities of nonmembers, '[c]ivil jurisdiction over [disputes arising out of] such activities presumptively lies in the tribal courts.' . . . a tribe's adjudicative jurisdiction does not exceed its legislative jurisdiction."); *Iowa Mutual*, 480 U.S. at 18

> Civil jurisdiction over such activities presumptively lies in the tribal courts unless affirmatively limited by a specific treaty provision or federal statute. 'Because the tribe retains all inherent attributes of sovereignty that have not been divested by the Federal Government, the proper inference from silence . . . is that the sovereign power . . . remains intact.'

National Farmers Union Ins. Co., 471 U.S. at 854 (suggesting that tribal courts may have jurisdiction to adjudicate civil disputes involving non-Indians which entered into consensual business relationships with Tribes). In *Nevada v. Hicks*, 533

U.S. 353 (2001), this Court declined to reach the issue and expressly left "open the question of tribal court jurisdiction over nonmember defendants in general." This case affords this Court an excellent opportunity to answer this important question.

CONCLUSION

The petition for a writ of certiorari should be granted.

Respectfully submitted,

DEXTER W. LEHTINEN
Counsel of Record
LEHTINEN, VARGAS & REINER, P.A.
7700 North Kendall Drive
Suite 303
Miami, FL 33156
(305) 279-1166

SONIA ESCOBIO O'DONNELL
STEPHAN I. VOUDRIS
JORDEN BURT LLP
777 Brickell Avenue
Suite 500
Miami, FL 33131
(305) 371-2600

Attorneys for Petitioner

APPENDIX

APPENDIX A — OPINION AND FINAL JUDGMENT OF THE UNITED STATES COURT OF APPEALS FOR THE ELEVENTH CIRCUIT DATED AND FILED APRIL 15, 2002

IN THE UNITED STATES COURT OF APPEALS FOR THE ELEVENTH CIRCUIT

Nos. 01-12356 & 01-13736

D. C. Docket No. 92-00489-CV-SH

TAMIAMI PARTNERS, LIMITED,

Plaintiff-Counter
Defendant-Appellee,

versus

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant-Counter
Claimant-Appellant,

BUSINESS COUNCIL OF THE MICCOSUKEE TRIBE OF INDIANS, MICCOSUKEE TRIBAL GAMING AGENCY, MICCOSUKEE TRIBAL COURT, BILLY CYPRESS, JASPER NELSON, et al.,

Defendants.

Appeals from the United States District Court
for the Southern District of Florida

(April 15, 2002)

Appendix A

Before BLACK and RONEY, Circuit Judges, and RESTANI*, Judge.

PER CURIAM:

This is the fourth time this case has appeared before the Court. In 1999, the Miccosukee Indian Tribe (Miccosukee) entered into a contract with Tamiami Partners, Ltd. (Tamiami) for the operation of a gambling facility on the Miccosukee Indian reservation. Two years later, Miccosukee notified Tamiami that it intended to terminate the contract. Shortly thereafter, Miccosukee ejected Tamiami from the gambling facility and took over operations. Miccosukee and Tamiami entered into arbitration pursuant to their contract, and the arbitration panel ordered Miccosukee to either reinstate Tamiami or pay damages. Miccosukee did neither, and Tamiami sought enforcement in the district court. The district court granted summary judgment in favor of Tamiami, enforcing the 1993 arbitration award. Miccosukee appeals. We affirm.

Our three previous opinions provide a detailed discussion of the facts and lengthy procedural history of this case. *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians,* 999 F.2d 503 (11th Cir. 1993) (*Tamiami I*) (remanded with instructions to district court to accept amended complaint stating federal question); *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians, 63* F.3d 1030 (11th Cir. 1995) (*Tamiami II*) (district court has jurisdiction because claim implicated Indian Gaming Regulatory Act); *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians,* 177 F.3d 1212

---

* Honorable Jane A. Restani, Judge, U.S. Court of International Trade, sitting by designation.

(11th Cir. 1999) *(Tamiami III)* (district court had jurisdiction over federal question, and could exercise supplemental jurisdiction over state law claims).

Numerous arguments were raised on this fourth appeal.

(1) Whether the district court lacked jurisdiction to hear the case.

This Court has twice ruled that the district court has jurisdiction to hear this case because it implicates the Indian Gaming Regulatory Act. *See Tamiami II,* 63 F.3d at 1048; *and Tamiami III*, 177 F.3d at 1223-24. There have been no changes to this case which would divest the district court of jurisdiction. Miccosukee entered into an agreement that provided for arbitration and oversight of that arbitration by Florida or federal courts. Such agreements are enforceable. *C&L Enters., Inc. v. Potawatomi Indian Tribe of Okla.*, 532 U.S. 411 (2001) (in suit to enforce arbitration award, Indian tribe may waive immunity by voluntarily subjecting to the jurisdiction of federal courts). We hold, for the third time, that the district court had jurisdiction to hear the case.

(2) Whether the arbitration award is valid.

The arbitration panel crafted an award that gave Miccosukee the option of paying damages in lieu of performance. This was an appropriate alternative, especially in light of Miccosukee's subsequent conduct.

The tribal court did not have the authority to stay the arbitration because the arbitration panel's authority came

from the parties' agreement, not from the courts. Even Florida courts do not have the power to stay arbitration unless they determine that no arbitration agreement exists. FLA. STAT. § 682.03; *see also Mirson v. Corradino Group, Inc.*, 751 So. 2d 699 (Fla. 3d Dist. Ct. App. 2000) (section 682.03 does not grant court authority to stay arbitration where there is no issue as to the existence of an arbitration agreement). The tribal court did not have the authority to stay the arbitration or vacate the award.

The absence of Miccosukee's arbitrator from the proceeding does not invalidate the award because Miccosukee voluntarily absented itself from the arbitration hearing. The arbitration hearing was conducted in a timely manner, and all parties had adequate notice beforehand. Miccosukee's course of ignoring the proceeding in hopes that it would later be invalidated is inexcusable neglect for which this Court will not penalize Tamiami. *See, e.g., Val-U Constr. Co. of S.D. v. Rosebud Sioux Tribe,* 146 F.3d 573 (8th Cir. 1998) (holding that an arbitration award against the Indian tribe was enforceable when to [sic] tribe voluntarily failed to participate in the hearing). Even if this were not the case, Miccosukee's arbitrator was provided a record of the hearing and participated in the panel's decision.

The arbitration award is valid and enforceable.

(3) Whether Tamiami's claim is barred by the statute of limitations.

Miccosukee argues that Tamiami's second amended complaint was untimely because it was barred by the Federal

Arbitration Act's one-year statute of limitations for confirming arbitration awards. *See* 9 U.S.C.A. § 9. This argument has no merit. The arbitration agreement in this case is governed by Florida state law, which provides no specific limitations period for confirmation of an arbitration award. Tamiami's claim was filed well within the four-year limit set by Florida's "catch-all" statute of limitations. FLA. STAT. § 95.11(3)(p).

(4) Whether Tamiami waived its right to arbitration.

Miccosukee argues that by filing the instant lawsuit, Tamiami acted inconsistently with its right to arbitrate, waiving its right to arbitration. Tamiami's actions do not constitute waiver. Tamiami's lawsuit seeking to compel arbitration and protect its rights pursuant to arbitration was a necessary step to preserve the status quo until the dispute was settled. The lawsuit was in no way inconsistent with the right to arbitrate. At no time during arbitration did Miccosukee claim that Tamiami waived the right to arbitrate as a result of the lawsuit. It was only after an unfavorable result that Miccosukee asserted that the lawsuit acted as a waiver. Tamiami did not waive its right to arbitrate.

(5) Whether the district court properly awarded damages to Tamiami.

On September 23, 1993, the dispute was arbitrated pursuant to the contract. The arbitration panel ordered Miccosukee to reinstate Tamiami or pay $9.5 million in damages. Miccosukee disputed the ruling and did neither. On March 12, 2001, the district court, granting summary

judgment for Tamiami, concluded that it was impractical to order performance after nearly eight years and ordered that Miccosukee pay the $9.5 million. The district court was correct in doing so. Although the arbitration award ordered contract performance, it gave Miccosukee the alternative of paying damages to Tamiami. By tenaciously resisting all of Tamiami's efforts to resume management of the gambling facility, Miccosukee has effectively chosen the damages option. The district court did not err in awarding $9.5 million in damages.

(6) Whether the district court properly awarded prejudgment interest and fees.

The district court, in its grant of summary judgment, properly awarded prejudgment interest and set forth how that interest would be calculated. Sixteen days later, Tamiami properly moved the court to perform the purely ministerial calculation of the exact amount of interest to be paid by Miccosukee. Tamiami was awarded $9.5 million in a valid, enforceable arbitration ruling over eight years ago. Tamiami should not be penalized for the contentious litigation conduct of Miccosukee that has delayed payment of this award. Because the $9.5 million award was valid and enforceable, Tamiami is entitled to interest for the time it has had to wait to collect. The district court did not err in awarding prejudgment interest. AFFIRMED.

APPENDIX B — ORDER AND FINAL JUDGMENT OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA DATED AND FILED MARCH 12, 2001

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF FLORIDA

CASE NO. 92-0489-CIV-HIGHSMITH

TAMIAMI PARTNERS, LTD. by and through TAMIAMI DEVELOPMENT CORPORATION, its general partner,

Plaintiff,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant.

ORDER ON PARTIES' CROSS-MOTIONS FOR SUMMARY JUDGMENT

THIS CAUSE came before the Court upon the following submissions:

1. Defendant Miccosukee Tribe of Indians of Florida's motion for judgment on the pleadings (filed on June 28, 2000) and supplemental motion for summary judgment (filed on July 31, 2000 after the Court converted the earlier motion for judgment on the pleadings to one for summary judgment); and

2. Plaintiff Tamiami Partners, Ltd.'s cross-motion for summary judgment (filed on August 18, 2000).

Appendix B

For the reasons stated below, the Court grants in part TPL's motion and denies the Tribe's motions.

PROCEDURAL HISTORY[1]

On February 27, 1992, Plaintiff Tamiami Partners, Ltd. ("TPL") commenced this action with the filing of a verified complaint for equitable relief against the Miccosukee Tribe of Indians of Florida ("Tribe"). In 1989, the Tribe and TPL's predecessor in interest, Tamiami Development Corporation, had entered into a management agreement for the operation of a Class II gaming facility, in accordance with the provisions of the Indian Gaming Regulatory Act ("IGRA"), 25 U.S.C. § 2701, *et seq.*[2] Pursuant to IGRA and the terms of the management agreement, Tamiami Development Corporation acquired a tract of land for the purpose of building a gaming hall and deeded the land to the United States in trust for the Tribe. At the time of the commencement of this action, TPL was operating the bingo gaming facility that had been built on the deeded land as "Miccosukee Indian Bingo".

The management agreement between TPL and the Tribe contains an arbitration provision. Article 12 of the Agreement, entitled "Disputes — Arbitration", provides at sub-section 12.1: "All disputes, controversies and/or claims arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration, as set forth in this Article 12."

---

1. A substantial portion of this section has been culled from the Court's prior orders in this case.

2. Class II gaming primarily consists of the game of chance commonly known as bingo. 25 U.S.C. § 2703(7)(A).

Appendix B

In thirteen additional sub-sections, Article 12 spells out in detail the method for invoking arbitration (by either party upon written notice to the other party) and the steps to be followed in conducting the arbitration proceedings. In Article 23 of the agreement, the Tribe consents to suit in the United States District Court for the Southern District of Florida, by expressly waiving its sovereign immunity for the purpose of enforcing the terms of the agreement, should the Tribe fail to participate in arbitration or fail to abide by the terms of an arbitration award. Article 23 further provides that the Tribe's waiver of sovereign immunity becomes effective thirty days after receipt of notice of a complaint, provided that, during that 30-day period, the Tribe failed to cure the problem.

On January 28, 1992, approximately one month prior to the commencement of this action, the Tribe notified TPL that the management agreement would terminate in thirty days. On February 25, 1992, TPL formally demanded arbitration to determine the validity of the termination notice. However, the Tribe did not consent to participate in arbitration proceedings. Rather, on February 26, 1992, the Tribe filed a Statement of Claim in the Miccosukee Tribal Court, seeking declaratory and injunctive relief. Specifically, the Tribe prayed for an order declaring that the management agreement was terminated, directing the Tribe to assume control of the bingo operation, enjoining TPL from interfering with such assumption, and directing the tribal police to enforce the order. In the verified complaint filed before this Court the next day (February 27, 1992), TPL sought a declaratory judgment that the Tribe was bound by the arbitration provisions of the management agreement. TPL also sought

the immediate issuance of a preliminary injunction compelling arbitration and preventing the Tribe from impeding TPL's operation of the bingo games. On March 5, 1992, the Court addressed these requests in its first omnibus order.

In that order, the Court determined that the case before it presented a federal common law question; namely, the exercise of tribal court judicial power over non-Indians. The Court, however, chose to abstain from exercising such federal question jurisdiction by applying the doctrine of exhaustion of tribal remedies, as articulated in *Iowa Mut. Ins. v. LaPlante*, 480 U.S. 9 (1987). Accordingly, the Court denied TPL's motion for preliminary injunctive relief and stayed the action pending the occurrence of any of the following three events: exhaustion of tribal remedies; exercise of self-help on the part of the Tribe to take over the bingo operation; or failure on the part of the Tribe to provide two business days' notice prior to taking any action pursuant to an order of the Tribal Court.

On July 16, 1992, during the pendency of the stay of proceedings before this Court, the Miccosukee Tribal Court issued a ruling in the case that the Tribe had brought before it back on February 26, 1992. The Tribal Court determined that it had jurisdiction over the dispute between TPL and the Tribe, directed the parties to engage in arbitration pursuant to the management agreement's arbitration clause, and retained jurisdiction over the action, pending the outcome of the arbitration proceedings. As more fully discussed below, those proceedings culminated with an October 6, 1993 Award and Decision in favor of TPL.

Appendix B

TPL returned before this Court on July 21, 1992, again seeking emergency injunctive relief. This time, TPL sought an order enjoining the Tribe from exercising self-help to terminate the management agreement. The basis for TPL's request was the sudden, mass denials of license applications, which had been submitted by TPL employees in compliance with the Tribe's licensing requirements. On August 19, 1992, the Court issued its second omnibus order.

In that second order, the Court determined that the Tribe's licensing process was arbitrary and capricious. Nevertheless, after conducting a thorough review of IGRA, under whose provisions the Tribe had enacted its licensing ordinance, the Court found no statutory grant of jurisdiction to review the licensing process undertaken by the Tribe. Additionally, the Court considered the Tribe's sovereign immunity from suit in the conduct of a governmental function, such as licensing, in light of the United States Supreme Court's pronouncements in *Merrion v. Jicarilla Apache Tribe*, 455 U.S. 130 (1982) and *Oklahoma Tax Comm'n v. Citizen Band Potawatomi Indian Tribe of Oklahoma*, 498 U.S. 505 (1991). The Court found that the Tribe's narrow waiver of sovereign immunity contained in the management agreement did not extend to the licensing process. The Court concluded, therefore, that it lacked jurisdiction to grant the relief sought by TPL. Accordingly, the Court continued the stay of the action under the same terms that had been imposed in the first omnibus order.

On Friday, August 21, 1992, TPL sought leave from the Court to file a supplemental complaint in this action. TPL's proposed supplemental complaint sought an order requiring

arbitration of the licensing dispute and enjoining the Tribe from utilizing the licensing process to impede TPL from operating the bingo games. Along with the motion seeking leave to supplement the complaint, TPL filed an emergency motion for preliminary injunctive relief. On this occasion, however, the Court was not available to entertain TPL's emergency request. In the late hours of Sunday, August 23, 1992, Hurricane Andrew struck South Florida. The destruction wreaked by the storm not only disrupted the Court's calendar, it also caused the temporary closing of the bingo games. After a return to normalcy, on September 15, 1992, the Court denied TPL's motion for leave to supplement the complaint and denied TPL's emergency motion for preliminary injunction. On September 17, 1992, TPL filed an, interlocutory appeal of the September 15th ruling, as well as the Court's second omnibus order.

During the pendency of the appeal, on April 13, 1993, TPL once more returned before this Court, seeking an emergency order enjoining the Tribe from exercising self-help. TPL's request was prompted by the following actions on the part of the Tribe and its instrumentalities, all of which had occurred on that same day: the Tribe's denial of the gaming license applications submitted by TPL and by its principals, Cye Mandel and John Sisto; the Miccosukee Tribal Gaming Agency's issuance of an order appointing Kenneth Welt as conservator of the bingo operation and directing him to take control of the same; and the Miccosukee Tribal Court's issuance of an order in aid of enforcement of the Gaming Agency's order. Pursuant to these decrees, the Tribe had ordered Mandel and Sisto to immediately leave the bingo hall; had ordered the Miccosukee Indian Bingo

accountant to turn over the bingo operation records to the conservator; and had obtained control of the bingo operation's bank accounts.

At the conclusion of an emergency hearing held on April 15, 1993, the Court issued its third omnibus order. Therein, the Court found that the Tribal Court had exceeded its jurisdiction when it issued the order appointing the conservator, thereby rendering said order null and void. The Court also found that the Tribe's licensing denials had been effectuated under the guise of its sovereign powers to abrogate the management agreement which was at the time the subject of arbitration proceedings. Hence, the Court declared all actions taken by the Tribe and its instrumentalities null and void; and ordered the parties to return to the status quo as it existed on April 12, 1993 and to preserve such status during the pendency of the ongoing arbitration proceedings. Pursuant to the Court's certification under 28 U.S.C. § 1292(b), the Tribe and the conservator immediately filed interlocutory appeals.[3]

On April 21, 1993, the Eleventh Circuit consolidated these latest appeals with the pending one that had been filed by TPL in September, 1992. On August 16, 1993, the Eleventh Circuit reversed the orders entered by this Court for lack of subject matter jurisdiction. *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida*, 999 F.2d 503 (11th Cir. 1993). In the view of the Eleventh Circuit, "Under

3. After the Tribe failed to comply with the third omnibus order, the Court issued a contempt citation and imposed a daily fine of $10,000. Shortly thereafter, however, the Eleventh Circuit stayed the third omnibus order, thereby rendering the contempt citation moot.

28 U.S.C. § 1331, the district court only had subject matter jurisdiction to hear challenges to the tribal court's jurisdiction after a full opportunity for tribal court determination of jurisdictional questions." *Id.* at 508 (citing *National Farmers Union Ins. Co. v. Crow Tribe of Indians*, 471 U.S. 845, 856-57 (1985)). After reviewing the verified complaint and the proposed supplemental complaint, the Eleventh Circuit determined that these pleadings did not present such a federal question. Rather, they simply raised a breach of contract claim. Similarly, the Eleventh Circuit found no federal question presented in TPL's various emergency motions for injunctive relief.

The Eleventh Circuit found, however, that two of TPL's legal memoranda, which were filed in the Court record on September 16, 1992, did present, for the first time, a federal question. Hence, the Eleventh Circuit stated:

> Because we are now aware of facts which suggest that the district court could have jurisdiction if the case arose today, we remand the case to the district court with directions that the district court dismiss this action unless one of the present parties files a complaint or other pleading which properly alleges jurisdiction. If such a complaint or petition is filed within thirty days of the date of remand, the district court shall proceed to frame and determine the issues in the usual manner.

Tamiami Partners, 999 F.2d at 508.

Appendix B

As previously noted, the arbitration proceedings between the parties culminated with the rendering of an Award and Decision on October 6, 1993. Those proceedings commenced after the Tribal Court issued an Order on July 16, 1992 (followed by a Memorandum Opinion dated August 7, 1992) in the case that had been brought by the Tribe against TPL one day prior to the commencement of this action. The Tribal Court found that TPL and the Tribe were bound by the arbitration provision of the management agreement. In reaching this decision, the Tribal Court rejected the Tribe's attempts to avoid arbitration on the basis that the management agreement was subject to recission. Hence, the Tribal Court directed TPL and the Tribe to engage in arbitration in accordance with Articles 12 and 23 of the management agreement within thirty days thereof. The Tribal Court retained jurisdiction over the case before it, pending the outcome of the arbitration proceedings.

On August 5, 1992, the Tribe served upon TPL a notice of compliance with the Tribal Court's Order. Therein, the Tribe announced that, in accordance with Article 12 of the management agreement, it was selecting Robert L. Pirtle, Esq. as the Tribe's appointed member to the arbitration panel. After TPL selected Michael Kosnitzky, Esq. as its non-neutral appointee, Messrs. Pirtle and Kosnitzky chose Dr. Lloyd D. Elgart as the third and neutral member of the panel. On December 17, 1992, the panel held a preliminary hearing. A second hearing was held on June 24, 1993 with the participation of Dean Richard Schmidt as neutral arbitrator in place of Dr. Elgart, who had become ill. On July 2, 1993, the panel dismissed a number of TPL's claims. The panel ruled that the claims relating to the following issues fell

outside the scope of the management agreement: Class III gaming;[4] high stakes poker; and tax-free cigarette sales. The panel also dismissed TPL's claims related to the imposition of licensing fees and general misuse of tribal licensing power as involving the Tribe's exercise of its governmental powers. As a result, only the following TPL claims against the Tribe survived:

> *Claim No. 4*, Termination of Miccosukee Indian Bingo's program director.
>
> *Claim No. 5*, Misconduct of Tribal Agents.
>
> *Claim No. 6*, Harassing Investors Through License Background Check Investigations.
>
> *Claim No. 9*, Interfering with Management by Abusing the Tribe's Position as a Sovereign.

The panel then scheduled a final hearing for the week of September 20, 1993. Prior to that hearing, on September 16, 1993, the Tribal Court issued an Order Staying Arbitration Proceedings. In its Order, the Tribal Court cited TPL's September 14, 1993 filing of an amended complaint in this action.[5] Although it did not explicitly provide a rationale for

---

4. As noted above, the agreement between TPL and the Tribe involved only Class II gaming; i.e., bingo. As defined under IGRA, Class III gaming involves slot machine, parimutuel and casino gaming. *Tamiami Partners*, 63 F.3d at 1032 n.3.

5. The filing of such an amended pleading after remand had been authorized by the Eleventh Circuit. *Tamiami Partners*, 999 F.2d at 508.

its decision, the Tribal Court apparently took issue with TPL's assertion in that pleading that the Tribal Court lacked jurisdiction over the parties' dispute.

On September 21, 1993, Arbitrators Kosnitzky and Schmidt issued an Order Declining to Postpone Final Hearing. The arbitrators rejected the Tribe's contention that their authority to proceed derived exclusively from the Tribal Court's July 16, 1992 Order. Rather, the arbitrators concluded that their authority was derived from the management agreement and the procedures set forth therein. Moreover, the arbitrators did not consider the Tribe's actions in causing the Tribal Court to enter an order staying the arbitration to be in good faith. In this regard, the arbitrators noted that, to the extent the Tribal Court's Order may have been predicated on TPL's most recent challenge to that Court's jurisdiction, this assertion had been repeatedly made by TPL during the parties' dispute. The arbitrators then set the final hearing for September 23, 1993. Arbitrator Pirtle filed a dissent, declining to participate in the final hearing.

After the hearing, Arbitrators Kosnitzky and Schmidt issued an Award and Decision, dated October 6, 1993. Noting that neither the Tribe nor Arbitrator Pirtle had attended the hearing, the two arbitrators reiterated their decision that it was proper to proceed notwithstanding the Tribal Court's September 16, 1993 Stay Order. The arbitrators then proceeded to rule against the Tribe on all of its eleven claims against TPL[6] and in favor of TPL as to Claim No. 4,

6. The claims were based on: (1) unauthorized expenditures; (2) deficient contents of operating budgets and irregularities; (3) improper accounting of costs and revenues; (4) improper conduct (Cont'd)

Termination of Miccosukee Indian Bingo's program director.[7] The arbitrators articulated their decision as follows:

> 1. On the Tribe's claims, the Tribunal rules in favor of TPL and against the Tribe on each claim, and denies the Tribe all relief on such claims. In particular, the Tribunal rejects the Tribe's claims for termination, damages, and relief other than termination or damages because the evidence shows affirmatively that the allegations on which the Tribes's claims [were predicated] were disprove[d], and certain of the claims were procedurally defective, as set forth above. Thus, as far as this Tribunal is concerned, there is not reason why TPL should not resume its role as manager of [Miccosukee Indian Bingo].
>
> 2. On TPL's claim, the Tribunal rules in favor of TPL and against the Tribe, and finds that [the program director's] termination was in violation of the Agreement, which required that the Tribe first advise TPL of the grounds of termination, then arbitrate the issue prior to terminating the program director.

(Cont'd)

of other revenue producing activities; (5) non-competitive purchasing; (6) improper selection of program director; (7) disregard of Indian employment preferences; (8) unreasonable advance of funds; (9) restrictions on access to books and records; (10) deceptive and false advertising and promotion; and (11) violations of federal and tribal law.

7. According to the arbitrators, TPL offered proof only as to Claim No. 4, thereby dropping its other three remaining claims, to wit, Claims No. 5, 6 and 9.

Appendix B

3. Notwithstanding its findings that the Tribe's claims for termination (and other relief) [were] baseless, the Tribunal nevertheless recognizes the severe deterioration in the relationship between the parties and the mutual lack of trust. The Tribunal further recognizes that the Tribe has stated in its Memorandum Regarding Scope of Arbitration Proceeding and hearing that the Tribunal can consider termination "separate and distinct from the determination of whether the contract has been breached by TPL," can protect TPL against "unjust monetary loss," and can give TPL "a reasonable return" on its investment in [Miccosukee Indian Bingo] (although objecting to providing compensation for "future benefit"). The Tribunal has determined, in no small part from the very recent events resulting in the non-appearance at the final hearing by the Tribe and its arbitrator, that it would be equitable to therefore offer the Tribe an additional option, along the lines of the Tribe's suggestions, to enable the Tribe to obtain the termination it seeks but to which it is not entitled under the Agreement. The Tribunal therefore rules that as an alternative resolution of this dispute, the Tribe can cause the termination as follows:

(a) The Tribe pays TPL $9.5 million, unconditionally, and provides a written release of TPL from all claims the Tribe might have against TPL within sixty (60) days of the date of this award.

> (b) If the Tribe makes the payment and delivers the release set forth above, TPL shall accept such payment in satisfaction of all obligations the Tribe has to TPL under the Agreement and provide the Tribe with a written release of the Tribe from all obligations it has to TPL under the Agreement within ten (10) days of receipt of the $9.5 Million and the release from the Tribe.

Award and Decision of Tribunal, at 8-10.

After ruling that TPL was the prevailing party, the arbitrators concluded that TPL was entitled to recover all of its reasonable costs and to an award of attorneys' fees. Arbitrator Pirtle filed a dissent, restating his position that the Stay Order issued by the Tribal Court was binding upon the panel, and declining to sign the Award and Decision of October 6, 1993.

On October 11, 1993, the Tribal Court issued a ruling entitled "Order Vacating Arbitration Order, Dissolving Arbitration Panel, and Declaring All Arbitration Actions Following September 16, 1993 to be Null, Void and of No Effect." In that Order, the Tribal Court explicitly grounded its earlier Order Staying Arbitration Proceedings on TPL's challenge to the Tribal Court's jurisdiction contained in the amended complaint filed with this Court on September 14, 1993. The Tribal Court determined that Arbitrators Kosnitzky and Schmidt's failure to abide by the stay order rendered all of their subsequent action contrary to law. Hence, the Tribal Court declared all such actions, including the Award and

Appendix B

Decision of October 6, 1993 to be null, void and of no effect. Needless to say, the Tribe has not complied with said Award and Decision.

In the amended complaint filed with this Court on September 14th, as suggested in the Eleventh Circuit's opinion, TPL asserted claims against the Tribal Court, the Tribe, its Business Council, and the Tribal Gaming Agency. In addition, TPL asserted claims against various individual members of those tribal organizations. On October 26, 1993, this Court held a status conference to address the posture of the case after remand. At the conference, TPL made an *ore tenus* request for an order freezing the funds held in the "Miccosukee Indian Bingo Reserve Account," Account #200563048-10, at Jefferson National Bank, representing TPL's share of the bingo facility revenues as of the time the Tribe took over operations. The Court granted the request and directed that no funds be disbursed from that account until further order of the Court. The freeze order still remains in effect.

On February 28, 1994, the Court ruled on the defendants' respective motions to dismiss TPL's amended complaint. The Court found that it had subject matter jurisdiction over the action. Because the Tribal Court had terminated all proceedings against TPL by that time, however, the Court dismissed that entity on mootness grounds. As to the Tribe, the Business Council and the Gaming Agency, the Court dismissed the claims against them on grounds of sovereign immunity. Hence, the Court allowed the action to proceed only as to the individual defendants. Both sides appealed.

Appendix B

On October 20, 1995, the Eleventh Circuit Court of Appeals issued its second opinion in this case, affirming this Court's rulings. *Tamiami Partners v. Miccosukee Tribe*, 63 F.3d 1030 (11th Cir. 1995). The Eleventh Circuit first conducted an extensive review of IGRA (the federal statutory scheme under which the bingo facility was established and operated), and of the convoluted history of the litigation to date. Next, the appellate court described the various claims asserted by TPL in the amended complaint as follows:[8]

> Tamiami's first claim is a breach of contract claim against the Tribe. Tamiami contends that the Tribe, operating through its Business Council and the Gaming Agency, has breached the Management Agreement by ousting Tamiami from the MIB premises and taking control of the gaming enterprise. Tamiami seeks an injunction restoring its position as the MIB operator and requiring the Tribe to give Tamiami its forty percent share of MIB's net gaming revenues.
>
> Tamiami's second claim is brought under IGRA and the NIGC's [National Indian Gaming Commission] regulations against the Tribe and the Gaming Agency. Tamiami contends that the Tribe, through the Gaming Agency, has abused the licensing authority conferred by the statute and the regulations by refusing to license Tamiami,

8. In its opinion, the Eleventh Circuit refers to TPL as "Tamiami"; to the Miccosukee Indian Bingo facility as "the MIB"; and to TPL's predecessor in interest, Tamiami Development Corporation, as "TDC".

> TDC, Mandel, and Sisto. Tamiami seeks an order declaring such an abuse of authority and enjoining the Gaming Agency to issue the requested licenses. Although IGRA does not expressly provide a right of action for such relief, Tamiami contends that such a right of action is implicit under IGRA's regulatory scheme.
>
> Tamiami's third and final claim is brought under IGRA and the NIGC's regulations against the individual defendants collectively as members of both the Business Council and the Gaming Agency. Tamiami contends that these individual tribal members are executing the Tribe's plan to assume permanent control of the gaming enterprise by refusing to license Tamiami's managers and key personnel and that, as a result, these individuals are subject to suit under IGRA in the district court. Tamiami seeks an injunction ordering these defendants to grant the licenses at issue, to restore Tamiami to the MIB premises, and to turn over Tamiami's share of the net gaming revenues.

Tamiami Partners, 63 F.3d at 1046-47.

Informed by its comprehensive analysis of IGRA, the Eleventh Circuit concluded that each of the claims asserted by TPL in the amended complaint arose under the laws of the United States within the meaning of the federal jurisdiction statute, 28 U.S.C. § 1331. Next, the Eleventh Circuit addressed the issue of sovereign immunity. It agreed

with this Court's ruling that sovereign immunity barred TPL's first claim for breach of contract but found that TPL's second claim was not similarly barred. Rather, the Eleventh Circuit disposed of that claim on the grounds of failure to state a claim because IGRA does not provide a private right of action to TPL. Finally, the appellate court upheld this Court's application of the doctrine of *Ex Parte Young* in refusing to dismiss the individual defendants on sovereign immunity grounds.

In a footnote to that opinion, the Eleventh Circuit added:

> Tamiami's original complaint sought an order compelling the Tribe to submit to arbitration; its amended complaint, however, does not seek that relief. Tamiami remains free, of course, to seek enforcement in the district court of the October 6, 1993 arbitration award and to seek an order in the district court compelling arbitration of any remaining contract disputes.

Tamiami Partners, 63 F.3d at 1048 n.66.

After remand, TPL moved for leave to file a second amended complaint, which this Court granted. The second amended complaint named as defendants the Tribe, individual members of the Business Council and the Tribal Gaming Agency and the Tribe's legal counsel, Dexter Lehtinen, asserting the following claims:

Appendix B

Count I: Declaratory relief against all defendants, with regard to the arbitrability of the contract disputes between TPL and the Tribe and with regard to monies currently frozen at Jefferson National Bank.[9]

Count II: Enforcement of arbitration award against the Tribe.

Count III: Compulsion of further arbitration against the Tribe.

Count IV: Injunctive relief as to the individual defendants to compel them to vacate orders with regard to monies at Jefferson Bank.

Count V: Conversion against Billy Cypress (Chairman of the Tribe) and Dexter Lehtinen (Counsel for the Tribe).

Count VI: Constructive Trust and Accounting.

All defendants moved to dismiss the second amended complaint. In an Order dated September 27, 1996, the Court addressed these motions. Upon a close study of the Eleventh Circuit's most recent opinion, the Court found that TPL had conformed its second amended complaint to the judicial determinations expressed in said opinion. Specifically, the Court found that TPL had asserted claims in Counts I, II,

9. As previously noted, the funds in the "Miccosukee Indian Bingo Reserve Account" at Jefferson National Bank have been frozen since October 26, 1993.

and III which were predicated upon the arbitration clause of the Management Agreement, in accordance with footnote 66 of the opinion (quoted above). The Court viewed this footnote comment as a guidepost issued by the Eleventh Circuit to this Court and to the parties regarding further proceedings upon remand. As noted by the Court at that time, the thoroughness of the opinion, as well as the Eleventh Circuit's rebuff of the defendants' requests for deletion of Footnote 66 from the opinion, led to the inescapable conclusion that the Eleventh Circuit had contemplated assertion of such claims upon remand. Therefore, the Court rejected the defendants' arguments regarding lack of subject matter jurisdiction, sovereign immunity, and failure to state a claim as to Counts I, II, and III of the second amended complaint. Similarly, the Court found no merit in the defendants' arguments that TPL had waived arbitration. With regard to Counts IV, V, and VI, the Court found that it had jurisdiction to address those state law claims under the aegis of supplemental jurisdiction. Finally, the Court rejected the individual defendants' invocation of sovereign immunity as to the claims asserted against them, pursuant to the doctrine of *Ex-Parte Young*.

The Tribe and the individual defendants appealed, resulting in the Eleventh Circuit's issuance of its third opinion in this case. *Tamiami Partners, Ltd. v. Miccosukee Tribe*, 177 F.3d 1212 (11th Cir. 1999). Therein, the Eleventh Circuit mandated dismissal of the individual defendants after determining that they were immune from suit in the context of the second amended complaint. However, the appellate court rejected the Tribe's assertion of lack of subject matter jurisdiction and sovereign immunity with respect to the following narrowed claims:

Appendix B

Count I, only to the extent TPL seeks a declaration that all disputes between it and the Tribe that arise out of or relate to the Agreement attached as Exhibit 1 to the second amended complaint — including the licensing dispute — are arbitrable.

Count II, seeking enforcement of the arbitration award issued against the Tribe on October 6, 1993.

Count III, seeking to compel the Tribe to engage in further arbitration on additional claims by TPL that the Tribe breached the Agreement and abused its licencing authority.

Upon remand, the Court limited the scope of the second amended complaint to the three foregoing claims. The Tribe filed an answer with thirty affirmative defenses and asserted three counterclaims against TPL for breach of the management agreement, breach of fiduciary duty and theft and conversion, as to which the Tribe seeks arbitration. Once the case was at issue, the Tribe filed a motion for judgment on the pleadings, which the Court converted to a motion for summary judgment. Having allowed full briefing of the Tribe's motions and TPL's cross-motion for summary judgment, the case is ripe for adjudication.

Appendix B

UNDISPUTED FACTS

To the extent that they impact upon the issues presently before the Court, all of the foregoing procedural facts are a matter of record and are undisputed.

DISCUSSION

The Tribe posits the following grounds in support of its motions for judgment on the pleadings and for summary judgment:

1. Even if IGRA provides the basis for jurisdiction; it does not provide TPL a private right of action for the remaining claims in the second amended complaint.[10]

2. With regard to Count II: the arbitration award issued on October 6, 1993 is void, hence unenforceable; the award did not provide "money damages"; and TPL waived any right to arbitration by taking steps in federal court that were inconsistent with such right.

3. With regard to Count III: TPL has no further arbitration rights under the management agreement; no additional arbitrable issues exist; TPL waived any right to further arbitration; and TPL's demand for further arbitration is time barred.

---

10. The Tribe also argues that Count I requires no further consideration because it simply seeks declaratory relief with regard to the claims asserted in Counts II and III.

4. Finally, the Tribe argues that it is entitled to arbitration as to its three common law counterclaims for breach of contract, breach of fiduciary duty and theft and conversion.

In its cross-motion for summary judgment, TPL contends that:

1. As to Count I, it is entitled to summary declaratory judgment that all disputes between the parties are arbitrable.

2. As to Count II, it is entitled to judgment enforcing the arbitration panel's October 6, 1993 award, consisting of $9.5 million, plus interest from October 13, 1993, attorneys fees and costs.

3. As to Count III, it is entitled to a judgment directing the parties to participate in further arbitration on the following claims asserted by TPL: that the Tribe breached the management agreement by appointing a conservator and refusing to issue licenses to TPL personnel; and that the frozen funds at Jefferson National Bank belong to TPL.

The Court proceeds to discuss the parties' contentions.

1. Failure to state a claim:

The Court first addresses the Tribe's argument that IGRA does not provide TPL a private right of action for the remaining claims in the second amended complaint. In its second opinion in this action, the Eleventh Circuit found that TPL's earlier claim (asserted in the amended complaint) that the Tribe had violated IGRA and the regulations promulgated

thereunder failed to state a claim "because IGRA provides [TPL] no right to relief." *Tamiami Partners v. Miccosukee Tribe of Indians*, 63 F.3d 1030, 1049 (11th Cir. 1995). In its third opinion in this action, the Eleventh Circuit declined to exercise pendent appellate jurisdiction to address the Tribe's contention that TPL failed to state claims upon which relief can be granted in the second amended complaint. *Tamiami Partners v. Miccosukee Tribe of Indians*, 177 F.3d 1212 1221-22 (11th Cir. 1999). The Tribe now asks this Court to address the viability of the extant claims in the second amended complaint.

According to the Tribe, TPL must show that it has a private right of action under IGRA because that is the statute that provides the basis for the Court's assertion of subject matter jurisdiction over this case. Obviously, this is an impossibility, since the Eleventh Circuit has explicitly ruled that IGRA does not provide a private right of action. With this avenue closed, the Tribe concludes that TPL's only other alternative, to style this action as a contract dispute, is equally futile under the law of the case. *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida*, 999 F.2d 503, 507 (11th Cir. 1993) (No federal question presented by TPL's initial "breach of contract" complaint.)

The issue, however, is not as simplistic as the Tribe casts it. In addressing the question of subject matter jurisdiction with respect to the second amended complaint, the Eleventh Circuit reasoned as follows:

> [T]he mere fact that a dispute concerns a contract or an agreement to arbitrate, without

more, does not raise a federal question. In this case, however, we find that the first three counts of Tamiami's [second amended] complaint present more than a mere dispute concerning a contract or an agreement to arbitrate. Each of these counts — at least in part — concerns the arbitration of Tamiami's claims that the Tribe had an obligation under the Agreement to process the gaming license applications of Tamiami and its key employees in good faith, and that the Tribe breached its obligation when it rejected these license applications for the sole purpose of taking over MIB. These very same claims were before this court in *Tamiami II*, albeit in the context of a direct breach of contract suit against the Tribe. The *Tamiami II* panel concluded that these claims arose under federal law because the Agreement incorporated — by operation of law if not by reference — the provisions of IGRA and its associated regulations regarding licensing procedures. Because federal law is equally implicated when these claims are presented in the arbitration context, we must follow the *Tamiami II* panel's conclusion here. We hold, therefore, that the first three counts of Tamiami's [second amended] complaint state a federal question insofar as they relate to the Tribe's rejection of gaming license applications. The portions of these counts that do not relate to gaming licenses are plainly within the supplemental jurisdiction of the district court; the defendants do not contend otherwise.

Tamiami Partners, 177 F.3d at 1222-23 (citations omitted). In two footnotes to these comments, the Eleventh Circuit added:

> [11]The Federal Arbitration Act empowers a district court to issue an order compelling arbitration if the court, "save for [the arbitration] agreement would have jurisdiction under title 28, in a civil action . . . of the subject matter of a suit arising out of the controversy between the parties." 9 U.S.C. § 4 (1994). Thus, it is appropriate for us to look through Tamiami's arbitration request at the underlying licensing dispute in order to determine whether Tamiami's complaint states a federal question.
>
> [12]Rather than looking to *Tamiami II*, the defendants assert that Tamiami's current (second amended) complaint asked for the same relief that was held not to provide a basis for federal questions jurisdiction in *Tamiami I*. This assertion is simply incorrect. The original verified complaint that was before the *Tamiami I* panel sought, inter alia, an injunction compelling the Tribe to arbitrate the dispute arising from its initial attempt to terminate the Agreement by letter. Because the subsequent licensing dispute between the parties had not yet arisen when the verified complaint was filed, that complaint understandably made no allegations and requested no relief regarding the licensing dispute. It is this licensing dispute —

> not the earlier termination dispute — that provides a basis for exercising federal question jurisdiction over Tamiami's current complaint.

Tamiami Partners, 177 F.3d at 1223, n.11&12.

Upon careful review of the foregoing passage, this Court concludes that, while IGRA provides a basis for the assertion of primary jurisdiction over Counts I through III, IGRA is not the foundation for those causes of action. Indeed, in the words of the Eleventh Circuit, federal law is "implicated" in Counts I through III "insofar as they relate to the Tribe's rejection of gaming license applications" while the remaining portions of those counts fall "within the supplemental jurisdiction of the district court." *Tamiami Partners*, 177 F.3d at 1223. Moreover, as characterized by the Eleventh Circuit, the claims in those counts are "presented in the arbitration context"; i.e., the claims seek to compel arbitration. This reading of the Eleventh Circuit's opinion is reinforced by the comments found in the two footnotes quoted above. Specifically, in footnote 11, the Eleventh Circuit states, "[I]t is appropriate for us to look through Tamiami's arbitration request to the underlying licensing dispute in order to determine whether Tamiami's complaint states a federal question." *Id.* at 1223 n.11. And in footnote 12, the Eleventh Circuit draws a distinction between the original complaint and the second amended complaint in terms of the underlying dispute between the parties presented in each pleading, concluding, "It is this licensing dispute — not the earlier termination dispute — that provides a basis for exercising federal question jurisdiction over Tamiami's current complaint." *Id.* at 1223 n.12. Therefore, the Court rejects

the Tribe's contention that TPL's post-remand second amended complaint fails to state a claim because it is not predicated on a statutory private right of action. Rather, the Court concludes that TPL presents cognizable claims to compel arbitration of the licensing dispute under federal question jurisdiction, and to enforce the prior arbitration award and compel arbitration of the additional disputes enumerated in Counts I through III under supplemental jurisdiction.

2. Declaratory Judgment:

In Count I, as limited by the Eleventh Circuit, TPL seeks a declaration that all disputes between it and the Tribe that arise out of or relate to the Agreement attached as Exhibit 1 to the second amended complaint — including the licensing dispute — are arbitrable. In its motion for summary judgment, TPL seeks a declaration "that all disputes between the parties are arbitrable." The motion seeks a broader declaration than the complaint. Specifically, the Court notes that the Eleventh Circuit struck the portion of the original Count I that pertained to monies currently frozen at Jefferson National Bank. With this caveat, the Court addresses TPL's motion for summary judgment as to Count I in the context of its discussion of Count III.

3. Enforceability of the arbitration award:

In Count II, TPL seeks enforcement of the arbitration award issued against the Tribe on October 6, 1993. The Tribe argues that the award is void, hence unenforceable; that it did not provide "money damages"; and that TPL waived any

right to arbitration by taking steps in federal court that were inconsistent with such right.

According to the Tribe, the award is void because it was issued after the Tribal Court stayed the arbitration proceedings. In their Order Declining to Postpone Final Hearing, issued on September 21, 1993, Arbitrators Kosnitzky and Schmidt rejected the Tribe's contention that their authority to proceed derived exclusively from the Tribal Court's July 16, 1992 Order. Rather, the arbitrators concluded that their authority was derived from the management agreement and the procedures set forth therein. Moreover, the arbitrators did not consider the Tribe's actions in causing the Tribal Court to enter an order staying the arbitration to be in good faith. The Court accepts these determinations by a majority of the arbitration panel regarding its own jurisdiction and authority to proceed and gives deference to the finding that the Tribe's actions in obtaining the stay order were not "in good faith." Therefore, the Court rejects the Tribe's contention that all arbitration proceedings after the stay order should be deemed a nullity.[11]

The Tribe also argues that the award is void due to the absence of Arbitrator Pirtle (the Tribe's arbitrator) and the Tribe from the final hearing, and Arbitrator Pirtle's non-participation in the issuance of the award. Their absence, however, was of their own doing. After the majority of the

---

11. On the same grounds, the October 11, 1993, Tribal Court ruling entitled "Order Vacating Arbitration Order, Dissolving Arbitration Panel, and Declaring All Arbitration Actions Following September 16, 1993 to be Null, Void and of No Effect" has no effect on the arbitration award.

panel found no efficacy in the Tribal Court's stay order, the Tribe and its non-neutral arbitrator chose not to participate in further proceedings at their peril.

In this regard, the Eighth Circuit's opinion in *Val-U Const. Co. v. Rosebud Sioux Tribe*, 146 F.3d 573 (8th Cir. 1998) is instructive. In *Val-U*, the parties had entered into a contract for the construction of housing units on the Rosebud Sioux Indian Reservation. The contract contained an arbitration clause. When problems arose, Val-U demanded arbitration but the Tribe refused to participate on grounds of sovereign immunity. Instead, the Tribe filed a suit in federal court asserting a breach of contract claim against Val-U and Val-U counterclaimed on the same theory. During the pendency of the federal court proceedings, an arbitration panel held hearings, in which the Tribe declined to participate, that culminated in an award for Val-U. On appeal from the district court's dismissal of Val-U's counterclaim, the Eighth Circuit determined that the arbitration clause in the contract waived the Tribe's sovereign immunity and remanded the case to the district court for determination of the validity of the arbitration award. The district court enforced the award by entry of summary judgment. The Tribe appealed. The Eighth Circuit held that its intermediate decision regarding sovereign immunity applied retroactively to the arbitration proceedings, thereby rendering the award enforceable. According to the Eighth Circuit, "the Tribe acted unreasonably in refusing to participate in the arbitration hearing based on its belief that it possessed immunity from suit, and thus, unless the Tribe can show that, under the Federal Arbitration Act (the "FAA"), it is entitled to have the award vacated, the award should be upheld." *Val-U*, 146 F.3d at 578.

Appendix B

In this case, the absence of the Tribe and its arbitrator from the ongoing arbitration proceedings was predicated on the Tribe's assumption that the Tribal Court's stay order was efficacious. As in the *Val-U* case, the Tribe's tactic involved a calculated risk. That gamble did not pay off because the Court has agreed with the arbitration panel majority's decision that it had the authority to proceed and that the Tribe's actions in procuring the stay order were not in good faith. Having demonstrated no procedural defects in the award other than those claimed to have been occasioned by its own absence, the Tribe is not entitled to have the award set aside.[12]

Next, the Court addresses the Tribe's contention that the award is not enforceable because it does not provide "money damages." It is obvious from the extensive passage quoted above, that Arbitrators Kosnitzky and Schmidt determined that TPL was entitled to reinstatement as manager of Miccosukee Indian Bingo. The arbitrators recognized, however, that such a remedy was not feasible due to "the severe deterioration in the relationship between the parties and the mutual lack of trust." *Award and Decision of Tribunal*, at 9. Thus, following the Tribe's own suggestion, the arbitrators fashioned a remedy that would make TPL

12. The Tribe also raises a number of "technical" objections to the validity of the award, such as: the Tribe did not receive sufficient notice of the final hearing; the final hearing was held beyond the original deadline for completion of the proceedings; and Tamiami Development Corporation failed to specifically assign the arbitration clause to TPL. The Court finds no merit in any of these arguments.

whole in the form of a money judgment.[13] Moreover, due to the passage of time and the growth of the Miccosukee gaming establishment, the theoretical reinstatement option has been effectively foreclosed.[14] Hence, the arbitration award consists of nothing other than "money damages."

Finally, the Court briefly considers the Tribe's argument that TPL waived any right to arbitration by taking steps in federal court that were inconsistent with such right. This argument harks back to the grounds upon which the Tribal Court implicitly rested its order staying the arbitration proceedings and the explicit grounds used by that Court to vacate the arbitration award. It is undisputed that TPL's first attempt at solving the parties' dispute was a demand for arbitration and that, when the Tribe finally came to the table, TPL actively participated in the arbitration proceedings. The complex procedural history set forth above does not support the Tribe's waiver argument. Rather, it reflects, rather sadly, the Tribe's repeated attempts to forestall a resolution of the parties' dispute by a neutral arbiter and its transparent use of the Tribal Court as a means to carry out this agenda.

Having discussed and rejected all of the Tribe's arguments, the Court concludes that the Award and Decision

---

13. A parallel to such a procedure can be readily found in discrimination cases, in which courts award "front pay" in lieu of hiring, promotion or reinstatement.

14. The Court takes judicial notice of the deaths of TPL's principals Cye Mandel and John Sisto and of the growth of the Miccosukee gaming facility from local news accounts and advertisements.

of Tribunal issued on October 6, 1993 is valid and enforceable and grants TPL's motion for summary judgment as to Count II.[15]

4. Arbitrability of additional claims by TPL and the Tribe's counterclaims:

In Count III, TPL seeks an order compelling the Tribe to engage in further arbitration on additional claims by TPL that the Tribe breached the management agreement and abused its licencing authority. TPL's motion for summary judgment seeks arbitration of its claims that the Tribe breached the management agreement by appointing a conservator and refusing to issue licenses to TPL personnel; and that the frozen funds at Jefferson National Bank belong to TPL. In light of the Eleventh Circuit's narrowing of the scope of Count I, as discussed above, TPL's motion with respect to the arbitrability of the issue of ownership of the frozen funds at Jefferson National Bank goes beyond the law of the case.

With regard to TPL's demand for arbitration, the Tribe argues that TPL has no further arbitration rights under the management agreement; that no additional arbitrable issues

---

15. Insofar as the Tribe has asserted additional affirmative defenses against Count II, the Court deems those defenses waived since they were not raised in either of the Tribe's dispositive motions. In this regard, the Court rejects the Tribe's catch-all argument that, "To the extent TPL has failed to rebut, in any fashion, the Tribe's affirmative defenses, TPL cannot prevail on Summary Judgment." *See* Tribe's Consolidated Response and Reply on Cross-Motions for Summary Judgment, at 5.

exist; that TPL waived any right to further arbitration; and that TPL's demand for further arbitration is time barred. Should the Court order further arbitration, however, the Tribe argues that it is entitled to arbitrate its three common law counterclaims for breach of contract, breach of fiduciary duty and theft and conversion.

Prior to considering these issues, the Court must note that the Award and Decision of Tribunal issued on October 6, 1993 contemplates that, upon payment of the $9.5 million award by the Tribe, the parties shall execute mutual releases. The Court has found that award valid and enforceable and will issue summary final judgment to that effect. In pursuing further arbitration, particularly with regard to the licensing dispute, TPL would, in effect, give up enforcement of the terms of the award. In its cross-motion for summary judgment, TPL appears to acknowledge this quandary when it states:

> The Tribunal dismissed Tamiami's claims based on the Tribe's abuse of its licensing authority. In light of the subsequent decisions of the 11th Circuit regarding the arbitrability of the Tribe's bad faith abuse of its licensing provisions, Tamiami seeks a declaratory decree that this claim is subject to arbitration and that Tamiami may, should it choose to do so, initiate a subsequent arbitration to pursue this claim.

See TPL's Memorandum of Law in Suppor of Cross-Motion for Summary Judgment, at 7 n.3. In a later commentary, TPL states:

> Alternatively, even in the event that this Court does not grant judgment enforcing the Award and Decision of the Tribunal, Tamiami is clearly entitled to an order compelling the Tribe to submit to a new arbitration of all claims and counterclaims before an independent panel, not one subjected to the tribal court's authority.

See TPL's Memorandum of Law in Support of Cross-Motion for Summary Judgment, at 24 n.10.

Due to this procedural posture, the Court does not find it appropriate to rule on the arbitrability of additional disputes between the parties, nor to compel arbitration of those disputes. To do so would be tantamount to rendering an advisory opinion. Accordingly, the Court will dismiss Counts I and III of the second amended complaint and the Tribe's three counterclaims, without prejudice, on ripeness grounds. Similarly, the court will deny without prejudice the parties' motions with respect to those claims. Hence, the Court's summary final judgment will be limited to Count II of the second amended complaint.

Appendix B

CONCLUSION

Based on the foregoing considerations, it is

ORDERED AND ADJUDGED as follows:

1. The Tribe's motion for judgment on the pleadings and supplemental motion for summary judgment are DENIED as follows. The motions are DENIED with prejudice as to Count II of the amended complaint. They are DENIED without prejudice as to all other issues.

2. TPL's cross-motion for summary judgment is GRANTED IN PART only as to Count II. The motion is DENIED without prejudice as to all other issues.

3. Counts I and III of the second amended complaint and the three counterclaims asserted by the Tribe are DISMISSED without prejudice.

In accordance with Fed.R.Civ.P. 58, the Court will enter judgment in favor of TPL, as to Count II only, by separate order.

DONE AND ORDERED in Chambers, at Miami, Dade County, Florida, this 12th day of March, 2001.

s/ Shelby Highsmith
SHELBY HIGHSMITH
UNITED STATES DISTRICT JUDGE

Appendix B

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 92-0489-CIV-HIGHSMITH

TAMIAMI PARTNERS, LTD. by and through TAMIAMI DEVELOPMENT CORPORATION, its general partner,

Plaintiff,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant.

SUMMARY FINAL JUDGMENT

In accordance with the Order on Parties' Cross-motions for Summary Judgment, issued contemporarily with this order, it is

ORDERED AND ADJUDGED that summary final judgment be, and the same is hereby ENTERED in favor of Plaintiff Tamiami Partners, Ltd. and against Defendant Miccosukee Tribe of Indians of Florida as to Count II of the second amended complaint. Accordingly, it is further

ORDERED AND ADJUDGED that, within thirty days from the date of this Order, Defendant Miccosukee Tribe of Indians of Florida SHALL COMPLY with the Award and Decision of Tribunal issued on October 6, 1993 by paying to

Appendix B

Plaintiff Tamiami Partners, Ltd. the sum of $9.5 million, plus pre-judgment interest from December 6, 1993 (allowing for the 60-day period originally prescribed for payment of the award) to the date of this order, plus post-judgment interest from the date of this order to the date of payment. The pre-judgment interest rate shall be that prescribed under Florida law and the post-judgment interest rate shall be computed as prescribed in 28 U.S.C. § 1961. At the same time, Defendant Miccosukee Tribe of Indians of Florida shall provide a written release from all claims that Defendant Miccosukee Tribe of Indians of Florida might have against Plaintiff Tamiami Partners, Ltd. Within ten days of receipt of said payment and release, Plaintiff Tamiami Partners, Ltd. shall provide a written release from all claims that Plaintiff Tamiami Partners, Ltd. might have against Defendant Miccosukee Tribe of Indians of Florida.

The Court reserves jurisdiction to award to Plaintiff Tamiami Partners, Ltd. the costs and attorneys' fees incurred in arbitration to which it is entitled as the prevailing party in arbitration. The Court also reserves jurisdiction to address any appropriate requests for attorneys' fees and costs related to this action. These matters shall be brought to the Court's attention by way of motions, to be filed forty-five days from the date of this Order.

All pending motions not otherwise ruled upon are DENIED AS MOOT and this case is CLOSED.

Appendix B

DONE AND ORDERED in Chambers, at Miami, Dade County, Florida, this 12th day of March, 2001.

s/ Shelby Highsmith
SHELBY HIGHSMITH
UNITED STATES DISTRICT JUDGE

APPENDIX C — ORDER AND FINAL JUDGMENT OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA DATED AND FILED JUNE 12, 2001

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 92-0489-CIV-HIGHSMITH

TAMIAMI PARTNERS, LTD. by and through TAMIAMI DEVELOPMENT CORPORATION, its general partner,

Plaintiff,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant.

ORDER

THIS CAUSE came before the Court upon Plaintiff Tamiami Partners, Ltd.'s motion to approve form of judgment and direct entry of judgment by Clerk of Court. Upon review of this matter, the Court does not find it appropriate to direct the entry of the proposed judgment at this juncture. On March 12, 2001, the Court entered its summary final judgment in this action. Included in that judgment was a computable award of pre-judgment interest, which prescribed the principal sum, the source of the interest rate (Florida law) and the applicable period. Thereafter, on April 13, 2001, the Court issued its Order Re: Computation of Pre-judgment Interest, announcing the result of said computation.

Appendix C

Two appeals have been lodged by Defendant Miccosukee Tribe of Indians of Florida from the Court's Orders (No. 01-11880-G and 01-12356-G), which have been consolidated. Therefore, it does not appear that this Court has jurisdiction at this juncture to take any further action in this case. Accordingly, it is

ORDERED AND ADJUDGED that Plaintiff Tamiami Partners, Ltd.'s motion to approve form of judgment and direct entry of judgment by Clerk of Court is DENIED without prejudice.

DONE AND ORDERED in Chambers, at Miami, Dade County, Florida, this 12 day of June, 2001.

s/ Shelby Highsmith
SHELBY HIGHSMITH
UNITED STATES DISTRICT JUDGE

Appendix C

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 92-0489-CIV-HIGHSMITH

TAMIAMI PARTNERS, LTD. by and through TAMIAMI DEVELOPMENT CORPORATION, its general partner,

Plaintiff,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant.

FINAL JUDGMENT OF ATTORNEYS' FEES

THIS CAUSE came before the Court upon Plaintiff Tamiami Partners, Ltd.'s motion to determine amount of attorneys' fees. Upon due consideration, it is

ORDERED AND ADJUDGED that the motion is GRANTED as follows:

> Plaintiff Tamiami Partners, Ltd. SHALL RECOVER from Defendant Miccosukee Tribe of Indians of Florida the sum of $75,667.64 as attorneys' fees, pursuant to the Award and Decision of the arbitration tribunal issued on October 6, 1993, plus $56,549.26 as pre-judgment interest on said sum, for a total of $132,216.90, said total to accrue post-judgment

interest from the date of this judgment to the date of payment, at the rate prescribed pursuant to 28 U.S.C. § 1961.

DONE AND ORDERED in Chambers, at Miami, Dade County, Florida, this 12 day of June, 2001.

s/ Shelby Highsmith
SHELBY HIGHSMITH
UNITED STATES DISTRICT JUDGE

APPENDIX D — ORDER OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA DATED AND FILED APRIL 13, 2001

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 92-0489-CIV-HIGHSMITH

TAMIAMI PARTNERS, LTD. by and through TAMIAMI DEVELOPMENT CORPORATION, its general partner,

Plaintiff,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant.

ORDER RE:
COMPUTATION OF PREJUDGMENT INTEREST

THIS CAUSE came before the Court upon Plaintiff Tamiami Partners, Ltd.'s ("TPL") motion to award prejudgment interest and Defendant Miccosukee Tribe of Indians of Florida's response thereto. Upon review of these submissions, it is

ORDERED AND ADJUDGED that TPL's motion is GRANTED as follows. The Court ACCEPTS and ADOPTS the computation of prejudgment interest set forth in the affidavit of Renee Garcia, which is attached to TPL's motion. Accordingly, the Court hereby

Appendix D

DECLARES that the prejudgment interest portion of the Summary Final Judgment issued on March 12, 2001, to wit, prejudgment interest on $9.5 million from December 6, 1993 to March 12, 2001, at the interest rate prescribed under Florida law, is *$6,836,356.16*.

DONE AND ORDERED in Chambers, at Miami, Dade County, Florida, this 13th day of April, 2001.

s/ Shelby Highsmith
SHELBY HIGHSMITH
UNITED STATES DISTRICT JUDGE

APPENDIX E — ORDER OF THE MICCOSUKEE TRIBAL COURT DATED SEPTEMBER 16, 1993

THE MICCOSUKEE COURT

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA

Case No. CV. 92-07

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Plaintiff,

vs.

TAMIAMI PARTNERS, LTD. (TPL),

Defendant.

ORDER STAYING ARBITRATION PROCEEDINGS

The Court having found that it has jurisdiction in the case herein on July 16, 1992; the Court having ordered arbitration of contract claims in the case herein on July 16, 1992; and Defendant Tamiami Partners, Ltd. having filed a complaint on September 14, 1993, in United States District Court, 92-489-CIV, alleging that "the Tribal Court and its Judges exceeded their jurisdiction and sovereign powers in asserting jurisdiction over the civil dispute between the Tribe and TPL, a non-Indian," and seeking a federal court order that "the Tribal Court had no jurisdiction over the Statement of Claim, the subject matter of the Statement of Claim, or TPL";

Appendix E

It is hereby ordered that the Order of the Court on July 16, 1993, directing arbitration is hereby suspended until further order of this Court and the arbitration proceedings ordered therein (between the Miccosukee Tribe and TPL, with arbitrators Richard Schmidt, Michael Kosnitsky and Robert Pirtle), are hereby stayed and enjoined except that pre-hearing and procedural issues may be determined by the arbitrators but the arbitration shall not proceed to hearing until further order of this Court.

DONE and ORDERED in chambers, at Dade County, Florida, this 16th day of September, 1993.

s/ Andy Buster
Miccosukee Court Judge

APPENDIX F — ORDER OF THE MICCOSUKEE TRIBAL COURT DATED OCTOBER 11, 1993

THE MICCOSUKEE COURT

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA

CV 92-07

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Plaintiff,

vs.

TAMIAMI PARTNERS, LTD.,

Defendant,

ORDER VACATING ARBITRATION ORDER, DISSOLVING ARBITRATION PANEL, AND DECLARING ALL ARBITRATION ACTIONS FOLLOWING SEPTEMBER 16, 1993 TO BE NULL, VOID AND OF NO EFFECT

The Court, having reviewed its previous orders herein and considered the evidence of continuing violations of this Court's orders, finds that:

(1) This Court ordered arbitration of this civil case (case # 92-07) pending before it on July 16, 1992;

(2) Pursuant to this Court's Order, an arbitration panel was selected whose members signed documents acknowledging they were "designated in accordance with an order of the Miccosukee Court dated July 16, 1992 (docket CV 92-07)" and whose chairman announced at its meeting on December 17, 1992 that the arbitration was being conducted "in accordance with an order of the Miccosukee Court, docket # CV 92-07 dated July 16, 1992";

(3) This Court ordered a stay of the arbitration proceedings on September 16, 1993, due to the Amended Complaint filed by Tamiami Partners Limited in the United States Court for the Southern District of Florida challenging the jurisdiction of the Miccosukee Court in the contract dispute;

(4) Arbitrators Michael Kosnitzky and Richard Schmidt and Defendant Tamiami Partners, Ltd. have ignored this Court's Stay Order (while arbitrator Robert Pirtle and the Tribe have abided by the Order), issuing orders contrary to the law applicable to arbitration and in violation of this Court's Stay Order;

(5) Following this Court's Stay Order, Kosnitzky and Schmidt have met without proper notice to the Tribe, contrary to the requirements of law applicable to arbitration proceedings, as well as in violation of this Court's Stay Order;

(6) Following this Court's Stay Order, Kosnitzky and Schmidt have met without the presence of the third arbitrator, Robert Pirtle, contrary to the requirements of law applicable to arbitration proceedings, as well as in violation of this Court's Stay Order;

Appendix F

Therefore, it is hereby ORDERED that:

(a) This Court's Order of July 16, 1992, ordering arbitration, is vacated and withdrawn;

(b) The arbitration panel established following this Court's Order of July 16, 1992 is dissolved;

(c) All actions of Michael Kosnitzky and Richard Schmidt in connection with the matter herein following September 16, 1993, including the issuance of any and all orders, reports or awards (including but not limited to the purported order dated September 21, 1993 and the purported award dated October 6, 1993) and meetings held in the absence of arbitrator Robert Pirtle and the Miccosukee Tribe, are found to be contrary to law and are declared to be null, void, and of no effect.

Ordered this 11 day of October, 1993.

s/ Andy Buster
Judge
Miccosukee Court

APPENDIX G — AWARD AND DECISION OF COMMERCIAL ARBITRATION TRIBUNAL DATED OCTOBER 6, 1993

COMMERCIAL ARBITRATION TRIBUNAL

In Re Miccosukee Tribe of Indians of Florida and Tamiami Partners, Ltd.

AWARD AND DECISION OF TRIBUNAL

On September 23, 1993, in accordance with prior orders of this Tribunal, a final evidentiary hearing was held, at which time both parties were given the opportunity to offer such evidence as they wished to submit to the Tribunal for its consideration in determining the claims presented by the parties. Although it received ample notice of the hearing, the Miccosukee Tribe of Indians of Florida (the "Tribe") did not attend the final hearing. Instead, the Tribe relied on an order it requested and received from its own tribal court which purported to stay this arbitration. The Tribunal refused to recognize the tribal court order as a legitimate constraint on its authority to arbitrate the claims before it to completion. The Tribunal's reasoning is stated in its Order Declining To Postpone Final Hearing.

Robert Pirtle, the arbitrator appointed by the Tribe, also did not attend the final hearing, for the reasons set forth in his dissent to the Order Declining To Postpone Final Hearing and his letter to the remaining two arbitrators, which was read into the record at the final evidentiary hearing. For the reasons set forth in such order, and based upon our review and interpretation of the parties' contract, the Florida Arbitration Code, and the Commercial Arbitration Rules of Arbitration of the American Arbitration Association, we have

proceeded with the final hearing and are proceeding to render our final award and decision. In that Mr. Pirtle did not withdraw as an arbitrator, but simply declined to attend the final hearing, the remaining two arbitrators contacted him regarding whether he wished to be involved in the determination of the claims and the rendition of this award and decision. Mr. Pirtle participated in the Tribunal's deliberations and determination. He was provided with a copy of the transcript of the final hearing including all Exhibits; however, Mr. Pirtle did not concur with the majority of the Tribunal and, accordingly, he dissented from this Award and Decision. His written dissent is forthcoming.

Decision

1. This is a contract arbitration pursuant to a contract between the parties: the Management and Economic Development Agreement (the "Agreement"). The Agreement requires that this arbitration be conducted in accordance with Florida Law and the Commercial Arbitration Rules of the American Arbitration Association, and this arbitration, including the final hearing, was so conducted. Under the Agreement, Tamiami Partners, Ltd., ("TPL") was the manager of Miccosukee Indian Bingo ("MIB"), a tribal gaming enterprise. TPL obtained the land, planned and built the building, and provided all employees, systems, and equipment for MIB, at a cost of approximately $6.5 million of TPL funds, in exchange for a long term contract to manage MIB and share in the profits of MIB. The land, obtained and prepared for construction by TPL at a cost of approximately $1 million, was deeded by TPL to the United States to hold in trust for the Tribe. At all times, the Tribe owned the

building and everything in it. As was testified to at the final hearing, TPL took the Tribe's dream and made it a reality, building one of the country's premier Indian bingo establishments. TPL's sole source of recouping its investment and obtaining a fair return was its management of MIB and resulting share in the profits during the term of this Agreement.

2. The Tribe's eleven claims are set forth in Miccosukee Tribe's Memorandum Regarding Scope of Arbitration Proceeding And Hearing. The Tribe never sought to amend its claims or add to them. The claims of TPL are set forth in the Statement of Claims of Tamiami Partners. TPL never sought to amend its claims or add to them. Certain of the parties' claims and the relief sought by the parties were dismissed, stricken, or limited by pretrial orders entered by the Tribunal.

3. As the complainant on its claims, under the Commercial Arbitration Rules, the Tribe had the burden of proof. The Tribe's absence from the final hearing itself is sufficient grounds to render an award against the Tribe on all claims, as the Tribunal understands Rule 30 to mean a tribunal cannot enter a default against the defending party on a claim without evidence, but can dismiss or otherwise adversely decide against a claimant which fails to attend the final hearing. Nevertheless, in an abundance of caution, the Tribunal heard evidence on each claim from TPL.

4. TPL offered the following evidence:

(a) The testimony of S. Cye Mandel and John Sisto, the two principals of TPL's general partner, Tamiami Development Corporation.

(b) Various exhibits, including letters and financial reports.

(c) Transcripts of the depositions of Michael Zheutlein (who was deposed by the Tribe), Billy Cypress (the Tribe's Chairman), Miguel Hernandez (the Tribe's chief financial officer), Marie Osceola (a former Tribe Business Council member, and the designated tribal representative regarding Indian preferences in employment) and Lloyd Manukian (an employee of a firm hired by the Tribe to investigate TPL's performance as manager of MIB.

(d) A declaration by Daniel Greenwald, a Florida certified public accountant, who was MIB's accountant from the opening until April, 1993.

(e) An affidavit and report by William Thompson, Ph.d.

5. The Tribunal notes that in interrogatory answers, for virtually all of its claims, the Tribe listed as its witnesses Chairman Cypress, Mr. Hernandez, and Alan Goldberg. Mr. Goldberg was later identified by the Tribe as its damages witness. The Tribunal was advised at the hearing that TPL was submitting the depositions of Chairman Cypress and the other tribal witnesses (Hernandez, Osceola, and Manukian), to show what those people had to say under oath when asked about the factual allegations supporting the Tribe's claims. The Tribunal finds that were the Tribe to have submitted such depositions as its sole support for its claims, the Tribunal

would have found no basis for ruling in the Tribe's favor on any claim, and would have rendered an award against the Tribe on all of its claims. The Tribunal recognized that these depositions were taken by TPL's counsel, with little or no cross-examination by the Tribe's counsel, and further recognizes the Tribe's counsel, had he attended the final hearing, might have questioned these witnesses differently and would undoubtedly have offered additional evidence. On the other hand, the Tribunal finds it remarkable that Chairman Cypress, the chief operating officer and chief executive officer of the Tribe, and Mr. Hernandez, the chief financial officer of the Tribe, had virtually no substantive evidence supporting the Tribe's claims.

6. TPL presented testimony and evidence opposing each of the Tribe's claims. The Tribunal finds TPL's evidence in opposition to the Tribe's claims credible and convincing. For that reason, and in the absence of contrary evidence, the Tribunal finds against the Tribe and in favor of TPL on each of the Tribe's claims. Set forth below are additional explanations regarding the Tribe's claims, but such explanations are only examples of additional deficiencies in each of the Tribe's claims. Thus, while not mentioned below specifically with regard to Claims 1 or 2, the Tribunal finds the Tribe failed to timely raise and give notice of its claims.

7. In Claim 1, the Tribe claimed there were certain unauthorized expenditures, but TPL's witnesses and other evidence indicated there were no unauthorized expenditures of any kind. The evidence indicated the Tribe was provided each month with a detailed financial report from Mr. Greenwald, a copy of the general ledger, a copy of the cash disbursements journal, copies of all checks written on MIB accounts when

requested, and copies of all the "backup" for the checks when requested. In addition, there were monthly "financial" meetings at which Mr. Hernandez and other representatives of the Tribe could ask whatever questions they had about any financial matters. Members of the Tribe's Business Council attended a number of these meetings. Mr. Greenwald has testified that he and Mr. Hernandez also spoke by telephone, so that Mr. Greenwald could answer questions or explain items. Finally, TPL's representatives, Mr. Sisto and Mr. Mandel, attended monthly meetings with the Business Council. According to the evidence, until the Tribe made the claim in arbitration, it had not objected to the expenses it now claims are unauthorized. Thus, the Tribe now claims busing expenses, the costs of busing customers to the bingo hall, were unauthorized, yet every month the Tribe received multiple notices of such expenses, and never objected.

8. With regard to Claim 2, the evidence showed no deficiency in the content of operating budgets as alleged by the Tribe or procedural irregularities. In particular, the 1991 budget was approved by the Tribe in writing. The 1992 budget was not specifically approved by the Tribe, but was *de facto* approved under the terms of the Agreement due to the Tribe's failure to timely object as provided under the Agreement. During that fiscal year, the Tribe never raised this claim. The 1993 budget was objected to by the Tribe, but in accordance with the Agreement, TPL provisionally put its budget into effect, giving the Tribe written notice to that effect and affording the Tribe the opportunity to arbitrate, as provided by the Agreement. The Tribe did nothing. Specifically, we find no factual basis in the record sufficient to support the Tribe's claim.

9. In addition to the grounds stated above, the Tribunal finds the Agreement provides only certain grounds for termination, as set forth in Article 8, and certain of the Tribe's Claims, those being Claims, 1, 2, 3, 4, 5, 6, 8, are not among the grounds listed in Article 8. Thus, termination would not be appropriate even if the merits of the Claims had been proven.

10. The Tribe's Claim 6 alleged Mr. Ingenito was selected without consulting the Tribe, in violation of the Agreement. The Tribunal finds the Tribe was consulted. The evidence showed that Mr. Ingenito was identified as the person selected as program director no less than eight months prior to the opening of MIB, his resume and a background check by Mr. Mandel was provided months before opening, without any response from the Tribe, and Mr. Ingenito had repeated personal contacts with the Tribe during the pre-opening phase, all without objection by the Tribe. In addition, the Tribe never gave any notice of this claim other than in connection with this arbitration, years after Mr. Ingenito was selected.

11. The Tribe's Claim 7 alleges TPL failed to implement and disregarded the required Indian employment preferences. The evidence is contrary, and there is nothing to support the Tribe's claim. The testimony of the Tribe's designated representative on such matters, Betty Osceola, is striking for its absence of any substance to support this claim. TPL provided testimony and copies of notices and letters to the Tribe demonstrating TPL's compliance with this obligation. Further, the Tribe never gave TPL notice of this claim.

12. The Tribe's Claim 8 alleges TPL unreasonably advanced money to MIB. The evidence shows TPL advanced money, without interest, to the Tribe in expectation of the receipt of insurance proceeds to expedite repairs of damage caused by Hurricane Andrew. The evidence shows the advance was eminently reasonable and within the scope of what a good manager would be expected to do under exigent circumstances.

13. The Tribe's Claim 9 alleges denials of access to books and records and a restriction of the Tribe's "right of oversight." The evidence is contrary. To be entitled to termination under such a claim, at a minimum, the Tribe must show a written notice pursuant to the Agreement of the alleged denial, followed by a failure to provide such access within 48 hours, assuming the records sought exist or can be found. The Tribunal finds there was no such denial. TPL provided the Tribunal with Mr. Manukian's deposition testimony in this regard, Mr. Manukian being a witness designated by the Tribe on this Claim, but his testimony (which does not reflect any contractual notices) simply does not support the Tribe's claim, especially in view of the contrary testimony in the record. The deposition testimony of Chairman Cypress and Mr. Hernandez similarly failed to support the claim.

14. The Tribe's Claim 10 alleges false and deceptive advertising. The testimony of Mr. Sisto completely refutes this claim.

15. The Tribe's Claim 11 alleges violation of Tribal and Federal law. The Tribunal finds no such violations to have occurred, and further finds no proper notice was given of such alleged violations.

16. With regard to the Tribe's Claims 1,2,3,4,5,7,8, and 10, the Tribunal finds that even if proven as alleged, none gives rise to termination under the Agreement, and there is no evidence supporting an award of damages or other relief, even if the Tribe had prevailed on the merits. Thus, for these additional reasons, these Claims are rejected.

17. As the complainant on its claims, TPL had the burden of proof. TPL offered proof only on one of its claims, thereby dropping the remaining three. Its proof on that claim, Claim 4, was unopposed because of the absence of the Tribe and its representatives at the hearing, and the Tribunal finds such proof sufficient under Rule 30 to render an award in TPL's favor.

18. The Tribunal also received evidence indicating the value of TPL's contract. The evidence was from an expert, Dr. Thompson, who valued TPL's contract rights at between $8,777,586 and $10,971,960, and from Michael Zheutlein, a representative of a large Indian gaming manager, which had offered $9.5 million for TPL's contract rights, and confirmed such offer was made with full knowledge of the disputes between TPL and the Tribe.

It is THEREFORE, the decision of this Tribunal that:

1. On the Tribe's claims, the Tribunal rules in favor of TPL and against the Tribe on each claim, and denies the Tribe all relief on such claims. In particular, the Tribunal rejects the Tribe's claims for termination, damages, and relief other than termination or damages because the evidence shows affirmatively that the allegations on which the Tribe's claims

were disproven, and certain of the claims were procedurally defective, as set forth above. Thus, as far as this Tribunal is concerned, there is no reason why TPL should not resume its role as manager of MIB.

2. On TPL's claim, the Tribunal rules in favor of TPL and against the Tribe, and finds Mr. Ingenito's termination was in violation of the Agreement, which required that the Tribe first advise TPL of grounds of termination, then arbitrate the issue prior to terminating the program director.

3. Notwithstanding its findings that the Tribe's claims for termination (and other relief) was baseless, the Tribunal nevertheless recognizes the severe deterioration in the relationship between the parties and the mutual lack of trust. The Tribunal further recognizes that the Tribe has stated in its Memorandum Regarding Scope of Arbitration Proceeding and Hearing that the Tribunal can consider termination "separate and distinct from the determination of whether the contract has been breached by TPL," can protect TPL against "unjust monetary loss," and can give TPL "a reasonable return" on its investment in MIB (although objecting to providing compensation for "future benefit"). The Tribunal has determined, in no small part from the very recent events resulting in the non-appearance at the final hearing by the Tribe and its arbitrator, that it would be equitable to therefore offer the Tribe an additional option, along the lines of the Tribe's suggestions, to enable the Tribe to obtain the termination it seeks but to which it is not entitled under the Agreement. The Tribunal therefore rules that as an alternative resolution of this dispute, the Tribe can cause the termination as follows:

(a) The Tribe pays TPL $9.5 million, unconditionally, and provides a written release of TPL from all claims the Tribe might have against TPL within sixty (60) days of the date of this award.

(b) If the Tribe makes the payment and delivers the release set forth above, TPL shall accept such payment in satisfaction of all obligations the Tribe has to TPL under the Agreement and provide the Tribe with a written release of the Tribe from all obligations it has to TPL under the Agreement within ten (10) days of receipt of the $9.5 Million and the release from the Tribe.

4. TPL is the prevailing party in this arbitration. Thus, under Article 12.11 of the Agreement, it is entitled to recover as part of this award all advanced costs, including court reporter's charges and the arbitrators' fees, and its other costs, including reasonable attorneys' fees and related costs, expert witness fees and costs, and any other reasonable costs, fees or expenses of the arbitration. The Tribunal therefore orders the Tribe to pay the following amounts:

(a) $72,014.63 to TPL, such sum being the total amount of fees and costs TPL has advanced to the arbitrators.

(b) $3,663.01 to TPL, such sum being the total amount TPL has advanced for court reporter's charges for arbitration hearings.

(c) An amount to be determined to TPL, such amount being the total of the reasonable attorneys' fees and related costs, including expert witness fees and costs, and all other reasonable costs, fees or expenses incurred by TPL in connection with this arbitration. In accordance with the Agreement, TPL shall promptly advise the Tribe of the amount it seeks in this regard, and in the event of a dispute, either party may apply to the Tribunal for relief as provided in Article 12.11.

DATED this 6th day of October, 1993.

s/ Richard Schmidt
RICHARD SCHMIDT

s/ Michael Kosnitzky
MICHAEL KOSNITZKY

Appendix G

Dissent of Robert Pirtle, Arbitrator.

I respectfully dissent from this Award and Decision of Tribunal. This Arbitration Panel began its work specifically upon Order of the Miccosukee Tribal Court, dated July 16, 1992 and the Memorandum of the Tribal Court, dated August 7, 1992, both in Docket Number CV 92-07. On September 16, 1993, the Tribal Court entered an Order Staying Arbitration Proceedings, which is binding upon this Arbitration Panel. As a matter of federal Indian law, the Tribal Court is the only court with jurisdiction in this matter and nowhere in the Management and Economic Development Agreement of April 8, 1989, or in any later action, did the Miccosukee Tribe waive that jurisdiction or the requirement of the United States Supreme Court of exhaustion of tribal court remedies prerequisite to the exercise of federal court jurisdiction in a matter such as this.

From the very outset, this Arbitration Panel was aware of its being established pursuant to the Order of the Miccosukee Tribal Court. The Chairman of the Panel began the organizational hearing of the Panel on December 17, 1992 by stating that the arbitration was "in accordance with an order of the Miccosukee Court, docket number CV 92-07 dated July 16, 1992." In the Agreement of Arbitrators, signed by the arbitrators and attached to the transcript of the December 17, 1992 hearing as Exhibit D, the three arbitrators referred to themselves as "designated in accordance with an order of the Miccosukee Court dated July 16, 1992 (Docket # CV. 92-07. . ." Thus it is beyond cavil that the Arbitration Panel was established pursuant to the Tribal Court Order and premised its functioning upon that foundation. In addition,

the two parties, the Miccosukee Tribe and Tamiami Partners, Ltd., participated in the arbitration proceeding upon the same foundation, as evidenced in the Arbitration Stipulation, signed by the attorneys for the two parties and attached to the transcript of the December 17, 1992 hearing as Exhibit E, in which the two parties referred to the arbitration process as "ordered by the Miccosukee Court under docket CV 92-07. . ."

It was agreed between the Arbitration Panel and the two parties that the law to be applied by the Panel, as required by the Management and Economic Development Agreement, dated April 7, 1989, would include (1) the Indian Gaming Regulatory Act (IGRA), 25 USC §§ 2701 et seq., as amended from time to time, (2) the American Arbitration Association Rules of Commercial Arbitration, (3) the laws of the State of Florida and (4) the gaming ordinance of the Miccosukee Tribe, as amended from time to time.

Florida law provides that a court which orders arbitration may stay an arbitration proceeding whenever the court finds that there is a question about the existence of an arbitration proceeding "subject to this law," that is, the Florida Arbitration Code which provides for continuing jurisdiction by the court which ordered the arbitration. F.S. 682.03(4). The Order Staying Arbitration Proceedings of the Tribal Court dated September 16, 1993, was issued by the Tribal Court because on September 14, 1993, Tamiami Partners, Ltd. filed a complaint in the United States District Court for the Southern District of Florida seeking a judgment that the Miccosukee Tribal Court exceeded its jurisdiction and sovereign power in asserting jurisdiction over the contract dispute between the two parties. Thus, the jurisdictional

premise upon which this Arbitration Panel was established is being challenged in federal court by Tamiami Partners, Ltd. and F.S. 682.03(4) authorized the Tribal Court to issue the Order Staying Arbitration Proceedings.

Accordingly, the Order of the Miccosukee Tribal Court, dated September 16, 1993, which ordered this arbitration stayed until further court order was binding upon the Arbitration Panel. The proper legal course for Tamiami Partners, Ltd., in seeking relief from that court order was an appeal through the Tribal Court system, rather than insistence that the Arbitration Panel conduct the final evidentiary hearing in violation of the court order. Because of that order, I was legally prevented from participating in the final evidentiary hearing which was held by the other two arbitrators on September 23-4, 1993.

The final evidentiary hearing violated the Florida Arbitration Code and the AAA Commercial Arbitration Rules. F.S. 682.06(3) provides as follows:

> The hearing *shall be conducted by all of the arbitrators* but a majority may determine any question and render a final award. An umpire authorized to hear and decide the cause upon the failure of the arbitrators to agree upon an award shall sit with the arbitrators throughout their hearing but shall not be counted as a part of their quorum or in the making of their award. *If, during the course of the hearing*, an arbitrator for any reason ceases to act, the remaining arbitrator,

> arbitrators or umpire appointed to act as neutrals may continue with the hearing and determination of the controversy. (Emphasis added.)

The only exception to the requirement that all arbitrators participate in a hearing is the provision that after a hearing is begun with all arbitrators present and an arbitrator ceases "for any reason" to act, the remaining arbitrators may complete the hearing and complete determination of the controversy. I did not attend commencement of the final evidentiary hearing held on September 23-4, 1993; thus, the hearing violated the Florida Arbitration Code. Further, the phrase "for any reason" cannot be held to include absence pursuant to order of the very court which ordered the arbitration proceeding. Rule 31 of the AAA Commercial Arbitration Rules provides in pertinent part as follows:

> *All evidence shall be taken in the presence of all of the arbitrators* and all of the parties, except where any of the parties is absent in default or has waived the right to be present. (Emphasis added.)

Thus, the hearing violated the AAA Commercial Arbitration Rules. Neither the Florida Arbitration Code nor the AAA Commercial Arbitration Rules provides for the holding of a final evidentiary hearing when one arbitrator is prevented from participating because of an order staying the arbitration issued from the court which established the arbitration panel and ordered the arbitration in the first place. Accordingly, the Award and Decision of Tribunal in this matter is in violation of applicable law and cannot be binding upon either of the parties.

Appendix G

I deem it a violation of our charge from the Tribal Court, as arbitrators, for the Arbitration Panel to have proceeded to a final evidentiary hearing in this matter in violation of the Order and Memorandum Opinion of the Tribal Court, docket no. CV 92-07, and, as a matter of conscience, could not personally participate in the hearing, and cannot now personally participate in the issuance of the Award and Decision of Tribunal as a final judgment of the Arbitration Panel in this matter. Therefore I dissent and will not sign the Award and Decision of Tribunal.

APPENDIX H — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE ELEVENTH CIRCUIT DATED AND FILED JUNE 7, 1999

IN THE UNITED STATES COURT OF APPEALS
FOR THE ELEVENTH CIRCUIT

No. 96-5262

D.C. Docket No. 92-CV-489-SH

TAMIAMI PARTNERS, LTD. by and through TAMIAMI DEVELOPMENT CORP., its general partner,

Plaintiff-Appellee,

versus

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA; BILLY CYPRESS; JASPER NELSON; JIMMIE BERT; MAX BILLIE; HENRY BERT; and DEXTER LEHTINEN,

Defendants-Appellants.

Appeals from the United States District Court
for the Southern District of Florida

(June 7, 1999)

Before TJOFLAT and BIRCH, Circuit Judges, and RONEY, Senior Circuit Judge.

TJOFLAT, Circuit Judge:

Appendix H

TJOFLAT, Circuit Judge:

This case, which is making its third appearance before our court,[1] is the result of a protracted contractual dispute between the Miccosukee Tribe of Indians of Florida ("the Tribe") and Tamiami Partners, Ltd. ("Tamiami"). The most recent incarnation of this dispute is Tamiami's second amended complaint against the Tribe as well as against the Tribe's attorney and several officers of the Tribe's Business Council and Gaming Agency (collectively, the "individual defendants"). In the district court, all of the defendants filed motions to dismiss Tamiami's second amended complaint on the following grounds: lack of subject matter jurisdiction, sovereign immunity, and failure to state a claim. The defendants bring this interlocutory appeal from the district court's order denying their motions. Because of this procedural posture, we consider only the issues of subject matter jurisdiction and sovereign immunity. With one minor exception, *see infra* part III.B., we affirm the district court's order on these issues with respect to the Tribe. As to the individual defendants, however, we hold that the doctrine of *Ex parte Young* does not allow Tamiami to defeat their claims of sovereign immunity.

---

1. The dispute between these parties has not been confined solely to federal court. *See, e.g., Cypress v. Tamiami Partners, Ltd.*, 662 So. 2d 1292 (Fla. 3d DCA 1995) (quashing discovery order on basis of sovereign immunity); *Mandel v. Miccosukee Tribal Gaming Agency*, No. CV 93-18, 22 Indian L. Rep. 6148 (Miccosukee Tribal Ct. Jan. 31, 1994) (affirming denial of gaming license applications by Gaming Agency); *In re Conservatorship for Miccosukee Indian Bingo*, No. CV 93-11 (Miccosukee Tribal Ct. Apr. 13, 1993) (enforcing Gaming Agency order appointing conservator); *Miccosukee Tribe of Indians v. Tamiami Partners, Ltd.*, No. CV 92-07 (Miccosukee Tribal Ct. July 16, 1992) (directing parties to arbitrate their disputes).

Appendix H

I.

A.

Because our prior opinions discuss the facts and initial procedural history of this case in detail, we provide only a summary here.[2] On April 7, 1989, the Tribe entered into a Management and Economic Development Agreement (the "Agreement") with Tamiami Development Corporation ("TDC") to operate a bingo gaming facility on Tribal lands under a gaming scheme authorized by the Indian Gaming Regulatory Act ("IGRA"), 25 U.S.C. §§ 2701-2721 (1994), and a 1985 tribal ordinance. The Agreement had a seven-year term and was renewable by TDC, at its option, for an additional three years. In exchange for forty percent of the facility's monthly "net revenues," TDC agreed to purchase a parcel of real estate (outside the Miccosukee reservation), convey the parcel to the United States in trust for the Tribe, and then design, construct, and manage a bingo facility on that parcel.

Two provisions of the Agreement are particularly relevant here. Article 12 provides that "[a]ll disputes, controversies and/or claims arising out of or relating to this

---

2. Most of the facts we recite in part I are drawn from the record in this case and from our prior opinions. *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians*, 63 F.3d 1030 (11th Cir. 1995); *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians*, 999 F.2d 503 (11th Cir. 1993). We occasionally draw upon the allegations in Tamiami's second amended complaint, which we accept as true in reviewing the defendants' motions to dismiss. *See Jackson v. Okaloosa County*, 21 F.3d 1531, 1534 (11th Cir. 1994).

Agreement, or the breach thereof, shall be settled by arbitration . . . ." Under Article 23 of the Agreement, the Tribe waived its common-law immunity from a suit brought by TDC either to compel arbitration under Article 12 or to enforce an arbitration award. Article 23 states:

> The [Tribe] waives its sovereign immunity from suit as expressly provided in this Article. The United States District Court for the Southern District of Florida, shall have jurisdiction over the parties hereto in order to enforce the terms hereof specifically, upon one or both of the following events (i) [the Tribe] fails to participate in an arbitration proceeding invoked as provided in Article 12, or (ii) failure by [the Tribe] to abide by the terms of an arbitration award. . . . This waiver of sovereign immunity shall not become effective until [TDC] has given written notice to the Miccosukee Tribal Business Council, detailing the nature of the complaint and the [Tribe] shall have failed after 30 days following such notice to cure such complaint.

After the Agreement was approved by a designee of the Secretary of the Interior, TDC purchased the parcel and began to construct the bingo facility. On January 23, 1990, with the Secretary's approval, the parties effected a novation of the Agreement in order to substitute Tamiami — a Florida limited partnership of which TDC was the general partner — for TDC. Thereafter, Tamiami completed the facility and began operating it as Miccosukee Indian Bingo ("MIB") in September 1990. On August 9, 1991, the Tribe adopted an ordinance establishing a Tribal Gaming Agency to oversee the

registration and licensing of the managers and key employees of its gaming enterprises, including the facility managed by Tamiami. Under this ordinance, the denial of a license would result in termination of employment and eviction from the gaming facility.

During the first sixteen months of MIB's operation, the Tribe made two separate offers to purchase Tamiami's interest in the facility. The highest offer was for an amount equal to Tamiami's initial investment in the facility. Tamiami rejected both offers. On January 28, 1992, the Tribe notified Tamiami by letter that the Agreement had been "terminated by action of the [Tribe's] Business Council . . . effective 30 days from the date hereof, because of repeated and flagrant violations of the letter and spirit of that Agreement." On February 25, pursuant to Article 12 of the Agreement, Tamiami formally demanded arbitration "to determine the validity of the Tribe's purported notice of termination." The Tribe responded by filing a "Statement of Claim" in Miccosukee Tribal Court to obtain a declaration that the Agreement had been terminated. On February 27, Tamiami initiated this lawsuit by filing its original verified complaint against the Tribe in the United States District Court for the Southern District of Florida. This complaint sought a declaratory judgment that Article 12 of the Agreement bound the Tribe to settle all disputes by arbitration, as well as an injunction compelling the Tribe to arbitrate the termination dispute and preventing it from taking control of MIB pending the completion of such arbitration.

On March 5, 1992, the district court issued its first "omnibus order" in the case. As a threshold matter, the court determined that it had subject matter jurisdiction because the case presented the question of Tribal Court power over a non-Indian. It stayed

further proceedings in the case, however, pending either the parties' exhaustion of their remedies in the Tribal Court or any action by the Tribe to evict or otherwise impede Tamiami from operating MIB. *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians*, 788 F. Supp. 566 (S.D. Fla. 1992).

On July 16, 1992, the Tribal Court issued a ruling that directed the parties to initiate arbitration proceedings in accordance with the Agreement. During that same month, the Tribe denied seventeen license applications that Tamiami employees had submitted to the Tribal Gaming Agency. Tamiami responded by filing a motion asking the district court to enjoin the Tribe from exercising self-help in order to terminate the Agreement. Tamiami alleged in its motion that the Tribe, under the pretext of issuing legitimate license denials, was engaging in self-help in order to prevent Tamiami from operating MIB and thus effectively terminate the Agreement. In its second omnibus order, issued on August 19, the district court addressed this motion. The court found that the Tribe's licensing process was arbitrary and capricious under the Administrative Procedure Act. Nevertheless, the court concluded that Congress, in enacting IGRA, had made no provision for suits by management contractors (such as Tamiami) to challenge a Tribe's licensing procedures. Moreover, it held that the Tribe's narrow waiver of sovereign immunity did not constitute consent to federal court suits challenging its licensing process. For these reasons, the court denied Tamiami's motion. *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians*, 803 F. Supp. 401 (S.D. Fla. 1992).

Appendix H

On August 21, Tamiami moved the district court for leave to file a "supplemental" complaint and for a preliminary injunction that would compel arbitration of the licensing dispute and prevent the Tribe from using the licensing process to frustrate Tamiami's operation of MIB. The court denied this motion on September 15. Thereafter, Tamiami took interlocutory appeals from the district court's August 19 and September 15 orders.

An arbitration panel eventually was convened on December 17, 1992. On April 13, 1993, while the interlocutory appeals and arbitration were pending, the Tribe took several steps to oust Tamiami from MIB. The Tribal Gaming Agency denied licenses to Tamiami, TDC, and two of TDC's principal officers — Cye Mandel and John Sisto. The Gaming Agency also appointed a conservator to take control of MIB and to operate the facility; the conservator was instructed to pay the Tribe its share of MIB's net revenues and to deposit Tamiami's forty percent share into a trust account at Jefferson National Bank in Miami, Florida. The Tribal Court ratified the conservator's appointment the same day. The Tribal police then forced Mandel and Sisto to leave the MIB premises, the MIB accountant surrendered MIB's financial records to the Tribe, and the Tribe began the process of obtaining control of MIB's bank accounts.

Tamiami immediately returned to the district court seeking an injunction to prevent the Tribe from exercising self-help. In its third omnibus order, issued on April 15, the district court found that the Tribal Court had exceeded its jurisdiction in ratifying the conservator's appointment. The court also concluded that the Tribe had exceeded its sovereign powers in rejecting the license applications of Tamiami, TDC, Mandel, and Sisto. In its view, these rejections were simply an attempt to circumvent the ongoing

arbitration and to terminate the Agreement. Accordingly, the court declared that all of the Tribe's April 13 actions were void and ordered the parties to return to the status quo ante of April 12. The court certified its order under 28 U.S.C. § 1292(b) (1994) to allow the Tribe to appeal. We permitted the Tribe's appeal and consolidated it with Tamiami's two pending interlocutory appeals.

On August 16, 1993, a panel of this court decided these three appeals. *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians*, 999 F.2d 503 (11th Cir. 1993) [hereinafter *Tamiami I*]. Addressing the subject matter jurisdiction of the district court, the panel applied the "well-pleaded complaint rule"[3] and held that Tamiami's complaint failed to state a federal question within the meaning of 28 U.S.C. § 1331 (1994). *See Tamiami I*, 999 F.2d at 506-07. The panel recognized that "[t]he right to be protected against an unlawful exercise of tribal court judicial power is . . . a claim arising under federal law," *id.* at 507, but stated that Tamiami's complaint failed to assert such a right. Instead, the complaint merely invoked section 1331 and then "present[ed] facts establishing a breach of contract claim." *Id.* Accordingly, the panel reversed the district court's third omnibus order and remanded the case with the following instructions:

> Because we are now aware of facts which suggest that the district court could have [subject matter] jurisdiction if the case arose today, we remand the

---

3. Under the well-pleaded complaint rule, a case does not raise an issue of federal law "unless a federal question is presented on the face of the plaintiff's complaint." *Kemp v. International Bus. Machs. Corp.*, 109 F.3d 708, 712 (11th Cir. 1997).

> case to the district court with directions that the district court dismiss this action unless one of the present parties files a complaint or other pleading which properly alleges jurisdiction.

Id. at 508.

B.

On remand, Tamiami accepted the panel's invitation by filing an amended complaint on September 14, 1993. This complaint essentially presented three claims.[4] First, Tamiami asserted a breach of contract claim against the Tribe. It alleged that the Tribe, operating through its Business Council and Gaming Agency, breached the Agreement by taking control of MIB and ousting Tamiami from the premises. Such actions, according to Tamiami, violated IGRA and exceeded the sovereign powers accorded to the Tribe under federal law. As a remedy for these violations, Tamiami sought an injunction restoring its position as the MIB operator and requiring the Tribe to pay Tamiami its forty percent share of MIB's net revenues.

---

4. This court gleaned these three claims from a fair reading of the complaint. *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians*, 63 F.3d 1030, 1046-47 (11th Cir. 1995). In addition to these claims, Tamiami further contended that the Miccosukee Tribal Court and its judges had exceeded their jurisdiction and sought to have the Tribal Court's actions of April 13, 1993, declared invalid. Because this court later declared these claims against the Tribal Court and its judges to be moot, *see id.* at 1044, 1046 n.57, we do not discuss them further here.

Appendix H

In its second claim, Tamiami contended that the Tribe, acting through its Gaming Agency, abused the licensing authority conferred by IGRA and its associated regulations by refusing to license Tamiami, TDC, Mandel, and Sisto. Tamiami therefore sought an order declaring that such abuses had occurred and enjoining the Gaming Agency to issue the requested licenses. Tamiami's third claim, which also pertained to the licensing authority conferred by IGRA and its regulations, was brought against individual members of the Tribe's Business Council and Gaming Agency. According to Tamiami, because these individuals were executing the Tribe's plan to assume control of MIB by refusing to license Tamiami's key personnel, they were subject to suit under IGRA in the district court. As to these defendants, Tamiami sought an injunction ordering them to grant the licenses at issue, restore Tamiami to the MIB premises, and turn over its share of the net revenues.

Meanwhile, the arbitration between the parties was proceeding and the arbitration panel had scheduled a final hearing for September 23. On September 15, the Tribe filed a motion in Tribal Court requesting a stay of arbitration proceedings. The court granted the stay on the following day. On September 21, the arbitration panel concluded that it derived its authority from Article 12 of the Agreement and that the Miccosukee Tribal Court had no jurisdiction to enforce that article. The panel therefore proceeded to hold its final hearing as scheduled, albeit without the participation of the Tribe or its chosen arbitrator. On October 6, a majority of the panel issued a decision in which it found that the Tribe had violated the Agreement by terminating Tamiami's MIB program director after denying his application for a gaming license. The panel awarded Tamiami fees and costs, and gave the Tribe a choice

between reinstating Tamiami as manager of MIB or paying Tamiami $9.5 million in satisfaction of the Tribe's obligations under the Agreement.

On October 12, 1993, the Tribe again restructured the management of MIB by terminating the conservator. At the Tribe's direction, the conservator withdrew Tamiami's share of net revenues from the trust account at Jefferson National Bank; he received those funds in the form of a cashier's check for approximately $1,566,000 that was made payable to "Dexter Lehtinen, trustee." Lehtinen, the Tribe's legal counsel, then endorsed the check over to the Tribe for deposit in a separate account at Jefferson National Bank entitled "Miccosukee Indian Bingo Reserve Account." The district court froze this separate account on October 27.

Also on October 12, the defendants filed motions to dismiss Tamiami's amended complaint on the grounds of lack of subject matter jurisdiction, sovereign immunity, and failure to state a claim. The district court ruled on these motions on February 28, 1994. *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians*, 898 F.Supp. 1549 (S.D. Fla. 1994). The court began by holding that Tamiami's amended complaint raised a federal question — "namely, whether these defendants exceeded tribal powers in their actions towards [Tamiami]." *Id.* at 1560. Turning to the issue of sovereign immunity, the court concluded that Tamiami's claims against the Tribe and its Business Council and Gaming Agency were barred because the Tribe had not clearly waived its immunity and Congress had not abrogated it. Accordingly, the court dismissed these claims with prejudice. With regard to the individual defendants, however, the court — applying

the doctrine of *Ex parte Young*, 209 U.S. 123, 28 S. Ct. 441, 52 L. Ed. 714 (1908) — held that the Tribe's sovereign immunity did not shield the individual defendants given Tamiami's allegation that they had "acted beyond the authority that the Tribe is capable of bestowing upon them under federal laws defining the sovereign powers of Indian tribes." *Id.* at 1561-62. The court therefore denied the individual defendants' motions to dismiss.

The individual defendants appealed the portion of the district court's order rejecting their claims of tribal sovereign immunity. After the district court entered final judgment on Tamiami's claims against the Tribe and its associated entities, Tamiami appealed that judgment. A second panel of this court consolidated these appeals and issued an opinion on August 16, 1995. *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians*, 63 F.3d 1030 (11th Cir. 1995) [hereinafter *Tamiami II*].

As to the subject matter jurisdiction of the district court, the panel held that each of Tamiami's three claims presented a federal question. Tamiami's claim that the Tribe had breached the Agreement, according to the panel, was essentially a claim that the Tribe — acting through its Gaming Agency — had violated IGRA and its associated regulations (which the Agreement incorporated) by failing to process Tamiami's license applications in good faith with the sole purpose of taking over MIB. Thus, Tamiami's arguments that IGRA imposed an obligation to process license applications in good faith and that the Tribe violated this obligation presented a federal question. The panel also concluded that Tamiami's second and third claims, which were based directly on IGRA and the regulations, presented federal questions. *See id.* at 1047.

Appendix H

Turning to the issues of sovereign immunity and failure to state a claim, the panel examined Tamiami's first and second claims against the Tribe. It agreed with the district court's conclusion that Tamiami's first claim was barred by the Tribe's sovereign immunity, which Congress had not abrogated and the Tribe had not clearly waived. Although Article 23 of the Agreement did provide a waiver for the limited purposes of compelling the Tribe to arbitrate or enforcing an arbitration award, the panel found that Tamiami's first claim — "simply a breach of contract claim for which it seeks money damages and injunctive relief," *id.* at 1048 — did not seek the type of relief contemplated by that waiver. In footnote 66, which appeared at the end of its discussion of Tamiami's first claim, the panel offered the following comment:

> Tamiami's original complaint sought an order compelling the Tribe to submit to arbitration; its amended complaint, however, does not seek that relief. Tamiami remains free, of course, to seek enforcement in the district court of the October 6, 1993 arbitration award and to seek an order in the district court compelling arbitration of any remaining contract disputes.

Id. at 1048 n.66. As to Tamiami's second claim alleging violations of IGRA and the regulations, however, the panel did not agree that it was barred by the Tribe's sovereign immunity. Rather, it "dispose[d] of that claim on the separate ground that, because IGRA provides Tamiami no right of action, Tamiami has failed to state a claim for relief." *Id.* at 1048.

Finally, the panel considered Tamiami's claim against the individual defendants. It found that the district court's denial of the individual defendants' motions to dismiss on the ground of Tribal sovereign immunity was immediately appealable under the *Cohen* collateral order doctrine. *See id.* at 1050; *see also Cohen v. Beneficial Indus. Loan Corp.*, 337 U.S. 541, 546-47, 69 S. Ct. 1221, 1225-26, 93 L. Ed. 1528 (1949). The panel then proceeded to affirm the district court's ruling, under the doctrine of *Ex parte Young*, that the individual defendants were not shielded by the Tribe's sovereign immunity. It declined to decide, however, whether Tamiami could state a claim for relief against the individual defendants. *See id.* at 1051 & n.72.

C.

On remand, the district court granted Tamiami's motion to file a second amended complaint — the pleading now before us. This complaint, which Tamiami filed on November 17, 1995, contains six counts and names as defendants the Tribe, individual members of the Tribe's Business Council and Gaming Agency (Billy Cypress, Jasper Nelson, Jimmie Bert, Max Billie, and Henry Bert), and the Tribe's legal counsel, Dexter Lehtinen. The first count essentially requests two types of declaratory relief: (a) a declaration that all disputes between Tamiami and the Tribe that arise out of or relate to the Agreement — including the licensing dispute — are arbitrable; and (b) a declaration against all of the defendants that the funds in the frozen account belong solely to Tamiami. The second and third counts request a judgment requiring the Tribe to comply with the October 1993 arbitration award and compelling the Tribe to arbitrate certain other disputes arising out of or related to the Agreement.

In the fourth count, Tamiami seeks an injunction against the Tribe in the form of an order directing the individual members of the Business Council and Gaming Agency to rescind their orders of April 13 and October 12, 1993 — which converted Tamiami's share of MIB's net revenues to the Tribe — and return the funds in the frozen account to Tamiami. The fifth count is a conversion claim against Billy Cypress, Chairman of the Tribe, and Dexter Lehtinen. In this count, Tamiami contends that Cypress and Lehtinen caused to be converted to the Tribe certain sums rightfully belonging to Tamiami, including the $1.5 million in the frozen Jefferson National Bank trust account and a $50,000 advance that was in the custody of the conservator as of April 13, 1993. As a result of this conversion, Tamiami requests compensatory damages "in excess of $1.5 million." The sixth count requests that the court order all defendants to make an accounting to Tamiami for the funds taken from the frozen account and for MIB's revenues since October 1993. In addition, Tamiami seeks a judgment imposing a constructive trust over its forty percent share of MIB's net revenues, the funds in the frozen account, and the $50,000 advance, as well as an order requiring the defendants immediately to pay these sums to Tamiami.

On December 4 and 5, all of the defendants filed motions to dismiss Tamiami's second amended complaint on the following three grounds: lack of subject matter jurisdiction, sovereign immunity, and failure to state a claim.[5] The district court denied

---

5. Certain defendants included a fourth ground for dismissal, namely that Tamiami had waived its contractual right to arbitration under the Agreement. This waiver argument, however, is an affirmative defense, *see* Fed. R. Civ. P. 8(c); it is not a ground upon which Tamiami's complaint could be dismissed. Therefore, we do not consider the issue of waiver here.

these motions in a memorandum opinion and order dated September 27, 1996. In its brief opinion, the court found that the first three counts of Tamiami's complaint were predicated on the arbitration clause of the Agreement. Referring to the *Tamiami II* panel's comments in footnote 66, it concluded that the Eleventh Circuit had contemplated the assertion of such arbitration claims on remand. The court therefore rejected the defendants' arguments as to those claims. Turning to counts four through six, the court found that it had supplemental jurisdiction to consider the state law claims asserted therein. The court also rejected "the individual defendants' invocation of sovereign immunity as to the claims asserted against them, pursuant to its prior analysis under the doctrine of *Ex parte Young*, which was affirmed by the Eleventh Circuit." This appeal followed.

II.

The defendants urge us to find that the district court erred in rejecting each of the three grounds upon which they based their motions to dismiss. Because this is an interlocutory appeal from the district court's denial of the defendants' motions, however, we must exercise care in determining which of these three issues are presently before us for review.

We have no doubt that the issue of subject matter jurisdiction is before us. As a threshold matter, we have a special obligation to satisfy ourselves not only that we have jurisdiction over this appeal, but also that the district court had jurisdiction over the various counts of Tamiami's complaint. *See Steel Co. v. Citizens for a Better Env't*, 523 U.S. 83, __, 118 S. Ct. 1003, 1012-13,

140 L. Ed. 2d 210 (1998).[6] "[When the lower federal court] lack[s] jurisdiction, we have jurisdiction on appeal, not of the merits but merely for the purpose of correcting the error of the lower court in entertaining the suit." *Bender v. Williamsport Area Sch. Dist.*, 475 U.S. 534, 541, 106 S. Ct. 1326, 1331, 89 L. Ed. 2d 501 (1986) (alterations in original) (quoting *United States v. Corrick*, 298 U.S. 435, 440, 56 S. Ct. 829, 832, 80 L. Ed. 1263 (1936)). Thus, it is appropriate for us initially to consider whether the district court erred in finding that it had subject matter jurisdiction over Tamiami's complaint. *Cf. In re Sealed Case*, 131 F.3d 208, 210-12 (D.C. Cir. 1997) (considering issue of subject matter jurisdiction before addressing issue that qualified for interlocutory appeal under collateral order doctrine).

The issue of sovereign immunity is also properly before us. Under 28 U.S.C. § 1291 (1994), we have "jurisdiction of appeals from all final decisions of the district courts . . . , except where a direct review may be had in the Supreme Court." The *Cohen* collateral order doctrine gives a "practical construction" to this final decision rule by permitting appeals "from a small category of decisions that, although they do not end the litigation, must nonetheless be considered 'final.' " *Swint v. Chambers County Comm'n*, 514 U.S. 35, 42, 115 S. Ct. 1203, 1208, 131 L. Ed. 2d 60 (1995) (quoting *Cohen v. Beneficial Indus. Loan Corp.*, 337 U.S. 541, 546, 69 S. Ct. 1221, 1225-26, 93 L. Ed. 1528 (1949)). This small category of immediately appealable decisions "includes only decisions that are conclusive, that resolve important questions separate from the merits, and that are effectively

---

6. This obligation applies to every appeal; it is "inflexible and without exception." *Id.* at __, 118 S. Ct. at 1012 (quoting *Mansfield, C. & L.M. Ry. Co. v. Swan*, 111 U.S. 379, 382, 4 S. Ct. 510, 511, 28 L. Ed. 462 (1884)).

unreviewable on appeal from the final judgment in the underlying action." *Id.* As the panel recognized in *Tamiami II*, 63 F.3d at 1050, the district court's denial of sovereign immunity to the defendants falls within this category.

Regarding the issue of whether Tamiami has failed to state a claim, the defendants ask us to exercise pendent appellate jurisdiction on the theory that this issue is "inextricably intertwined" with the issue of sovereign immunity.[7] In accordance with the Supreme Court's suggestion in *Swint*, 514 U.S. at 51, 115 S. Ct. at 1212, we have previously recognized that pendent appellate jurisdiction over related claims "may be appropriate when a nonappealable decision is 'inextricably intertwined' with an appealable decision or when 'review of the former decision [is] necessary to ensure meaningful review of the latter.' " *United States v. Lopez-Lukis*, 102 F.3d 1164, 1167 n.10 (11th Cir. 1997) (exercising such jurisdiction). In this case, however, a brief overview of the defendants' specific contentions suffices to demonstrate that the issue of whether Tamiami has failed to state a claim is not in fact inextricably intertwined with the issue of sovereign immunity.[8] The defendants argue that Tamiami has failed

---

7. The defendants do not — and could not — rely upon either *Cohen* or 28 U.S.C. § 1292 (1994) as a basis for their contention that we have jurisdiction to consider the issue of whether Tamiami has failed to state a claim.

8. We are aware of, and unimpressed by, the defendants' assertion that the *Tamiami II* panel has inextricably intertwined these issues. According to the defendants, the panel did so by deciding that the individual defendants were amenable to suit under *Ex parte Young* and then refusing to reach the issue of whether Tamiami could state a claim against them. *See Tamiami II*, 63 F.3d at 1051 n.72. If anything, this discussion indicates that the panel did not view these issues as inextricably intertwined.

to state a claim because counts one through three of its complaint rely on certain provisions of IGRA that do not apply to the Agreement and provide no cause of action, and because counts four through six are duplicative prayers for relief that state no claim under either federal or state law. Plainly, these arguments are wholly unrelated to the defendants' contentions that Tamiami's claims against the Tribe do not fall within the Tribe's waiver of sovereign immunity and that the individual defendants are not amenable to suit under the doctrine of *Ex parte Young*. Therefore, we decline to exercise pendent appellate jurisdiction over the issue of failure to state a claim; we consider only whether the district court had subject matter jurisdiction and whether the Tribe and the individual defendants were shielded by sovereign immunity.

III.

A.

The issue of whether the district court had subject matter jurisdiction over Tamiami's complaint is a question of law subject to *de novo* review. *See Tamiami I*, 999 F.2d at 506. We begin our review with the defendants' contention that the first three counts of Tamiami's complaint do not state a federal question. *See* 28 U.S.C. § 1331 (1994). According to the defendants, these counts merely address contract and arbitration disputes arising under the Agreement. They argue that such disputes do not raise a federal question and that the statement in Article 23 of the Agreement that the district court "shall have jurisdiction" over the parties cannot change this result.

Appendix H

The defendants are correct in part. It is well-settled that parties cannot create subject matter jurisdiction by agreement. *See Love v. Turlington*, 733 F.2d 1562, 1564 (11th Cir. 1984). In addition, the mere fact that a dispute concerns a contract or an agreement to arbitrate, without more, does not raise a federal question. *See Tamiami I*, 999 F.2d at 507 (holding that the presentation of facts establishing a breach of contract claim does not state a federal question); *Merrill Lynch, Pierce, Fenner & Smith, Inc. v. Haydu*, 637 F.2d 391, 395 (5th Cir. Unit B Feb. 1981)[9] (noting that the Federal Arbitration Act alone is insufficient to confer federal jurisdiction over disputes involving arbitration agreements, and that an independent basis of jurisdiction — such as diversity or a federal question — is required). In this case, however, we find that the first three counts of Tamiami's complaint present more than a mere dispute concerning a contract or an agreement to arbitrate. Each of these counts — at least in part — concerns the arbitration of Tamiami's claims that the Tribe had an obligation under the Agreement to process the gaming license applications of Tamiami and its key employees in good faith, and that the Tribe breached its obligation when it rejected these license applications for the sole purpose of taking over MIB.[10] These

---

9. In *Bonner v. City of Prichard*, 661 F.2d 1206, 1209 (11th Cir. 1981) (en banc), this court adopted as binding precedent all decisions of the former Fifth Circuit handed down prior to October 1, 1981.

10. Specifically, one portion of the first count requests a declaration "that disputes between the parties to the Agreement regarding the licensing of [Tamiami] and its principals [are] arbitrable." The second count requests enforcement of the October 1993 arbitration award, which addressed the termination of Tamiami's MIB program director following the denial of his gaming license application by the Tribe. The third count seeks to compel the Tribe

(Cont'd)

very same claims were before this court in *Tamiami II*, albeit in the context of a direct breach of contract suit against the Tribe. The *Tamiami II* panel concluded that these claims arose under federal law because the Agreement incorporated — by operation of law if not by reference — the provisions of IGRA and its associated regulations regarding licensing procedures. *See Tamiami II*, 63 F.3d at 1047. Because federal law is equally implicated when these claims are presented in the arbitration context,[11] we must follow the *Tamiami II* panel's conclusion here.[12] We hold, therefore, that the first three counts of Tamiami's

---

(Cont'd)

to arbitrate certain additional disputes, including Tamiami's claims "that the Tribe breached the Agreement by failing to process the applications of [Tamiami's] managers and key employees in good faith; [and] that the Tribe . . . abused its licensing authority and rejected [Tamiami] applications for the sole purpose of taking over MIB."

11. The Federal Arbitration Act empowers a district court to issue an order compelling arbitration if the court, "save for [the arbitration] agreement, would have jurisdiction under title 28, in a civil action . . . of the subject matter of a suit arising out of the controversy between the parties." 9 U.S.C. § 4 (1994). Thus, it is appropriate for us to "look through" Tamiami's arbitration request at the underlying licensing dispute in order to determine whether Tamiami's complaint states a federal question.

12. Rather than looking to *Tamiami II*, the defendants assert that Tamiami's current (second amended) complaint asks for the same relief that was held not to provide a basis for federal question jurisdiction in *Tamiami I*. This assertion is simply incorrect. The original verified complaint that was before the *Tamiami I* panel sought, *inter alia*, an injunction compelling the Tribe to arbitrate

(Cont'd)

complaint state a federal question insofar as they relate to the Tribe's rejection of gaming license applications. The portions of these counts that do not relate to gaming licenses are plainly within the supplemental jurisdiction of the district court; the defendants do not contend otherwise.

The defendants do contend, however, that the district court lacked the power to exercise supplemental jurisdiction over counts four through six of Tamiami's complaint. Under 28 U.S.C. § 1367(a) (1994), a district court that has original jurisdiction in a civil action "shall have supplemental jurisdiction over all other claims that are so related to claims in the action within such original jurisdiction that they form part of the same case or controversy under Article III of the United States Constitution." In other words, a district court has the power to exercise supplemental jurisdiction over all claims that "arise out of a common nucleus of operative fact with a substantial federal claim." *Lucero v. Trosch*, 121 F.3d 591, 597 (11th Cir. 1997).

(Cont'd)

the dispute arising from its initial attempt to terminate the Agreement by letter. Because the subsequent licensing dispute between the parties had not yet arisen when the verified complaint was filed, that complaint understandably made no allegations and requested no relief regarding the licensing dispute. It is this licensing dispute — not the earlier termination dispute — that provides a basis for exercising federal question jurisdiction over Tamiami's current complaint.

We are aware that Tamiami's "supplemental" complaint, which the district court declined to entertain on September 15, 1992, included allegations regarding the Tribe's initial license denials and requested an order compelling the Tribe to arbitrate the licensing dispute. The *Tamiami I* panel, however, had no jurisdiction to consider this version of Tamiami's complaint. *See Tamiami II*, 63 F.3d at 1043 n.44.

We readily conclude that Tamiami's federal claims regarding the Tribe's gaming license denials are sufficiently substantial to support supplemental jurisdiction. Neither we nor the defendants have discovered any "prior decisions [that] inescapably render the claims frivolous." *See L.A. Draper & Son v. Wheelabrator-Frye, Inc.*, 735 F.2d 414, 427 (11th Cir. 1984) (quoting *Jackson v. Stinchcomb*, 635 F.2d 462, 471 (5th Cir. Jan. 1981)). As to whether these substantial federal claims share a common nucleus of operative fact with Tamiami's claims in counts four through six, the defendants offer two reasons why they do not. First, the Tribe and its officials argue that no common nucleus exists because Tamiami's federal claims are against the Tribe while its remaining claims are against the individual defendants. This argument is both factually and legally incorrect. As a factual matter, our discussion of Tamiami's second amended complaint reveals that counts four and six are against both the Tribe and the individual defendants. *See supra* part I.C. In addition, it is clear from section 1367 itself that the parties to the federal and supplemental claims need not be identical in order for supplemental jurisdiction to lie. *See* 28 U.S.C. § 1367(a) ("Such supplemental jurisdiction shall include claims that involve the joinder or intervention of additional parties.").

Second, defendant Lehtinen argues that a common nucleus is lacking as to counts five and six because the facts that bear upon the state-law claims asserted in those counts are separate and distinct from the facts that are relevant to the resolution of Tamiami's federal claims. Specifically, Lehtinen asserts that the facts necessary to prove conversion and constructive trust under state law concern the actions of the individual defendants regarding certain funds (such as those in the frozen account), while the facts necessary to the resolution of Tamiami's federal

claims concern the arbitration provisions of the Agreement between Tamiami and the Tribe. Because the success of Tamiami's federal claims does not depend on the success of its state-law claims, he argues, supplemental jurisdiction over the state-law claims is unavailable. We find Lehtinen's conception of supplemental jurisdiction to be unduly narrow. In our view, both Tamiami's federal claims and its claims in counts four through six seek to remedy the injury that Tamiami suffered when the Tribe terminated the Agreement through a series of actions by the individual defendants. In its second amended complaint, Tamiami made a strategic decision to attack this termination in two ways: (1) in the first three counts, Tamiami attacked the Tribe's *method* of terminating the agreement by seeking to arbitrate its federal claim that the Tribe denied its license applications in bad faith in order to take over MIB; and (2) in counts four through six, Tamiami attacked the *result* of this termination by seeking to recover its forty percent share of MIB's net revenues from the Tribe and the individual defendants. This strategic decision, however, did not catalyze some mysterious fissile process that split the sphere of operative facts surrounding the termination dispute into two separate nuclei. Thus, the district court had the power to exercise supplemental jurisdiction over counts four through six of Tamiami's complaint.

B.

We now turn to the district court's ruling that the Tribe's sovereign immunity does not shield the Tribe and the individual defendants from suit. The issue of a sovereign's immunity from suit is a question of law that we review *de novo*. *See Tinney v. Shores*, 77 F.3d 378, 383 (11th Cir. 1996).

"Indian tribes have long been recognized as possessing the common-law immunity from suit traditionally enjoyed by sovereign powers." *Santa Clara Pueblo v. Martinez*, 436 U.S. 49, 58, 98 S. Ct. 1670, 1677, 56 L. Ed. 2d 106 (1978). Tamiami's claims against the Tribe itself are therefore "barred by the doctrine of sovereign immunity unless the Tribe, by the very act of entering into the [Agreement] and engaging in the gaming enterprise, waived its immunity from suit by Tamiami or Congress, by enacting IGRA, abrogated that immunity." *Tamiami II*, 63 F.3d at 1048. Although we concluded in *Tamiami II* that IGRA did not purport to abrogate the sovereign immunity of tribes that engage in bingo gaming, we also found that the Tribe partially waived its immunity in Article 23 of the Agreement. *See id.* The Tribe contends that Tamiami's claims against it in the second amended complaint do not fall within the scope of this waiver.

Under Article 23 of the Agreement, the Tribe waived its immunity from a suit brought by Tamiami to compel arbitration or to enforce an arbitration award. *See supra* part I.A. (quoting Article 23). To the extent that counts one (b), four, and six of the second amended complaint — which seek, respectively, a declaration that the frozen funds belong to Tamiami, an injunction compelling the return of these funds, and an accounting and the imposition of a constructive trust — are directed against the Tribe,[13] we agree that these counts do not fall within the scope of the Article 23 waiver. These counts are therefore barred and the district court erred in refusing to dismiss them as to the Tribe. Counts one (a), two, and three of the complaint, however, seek only a declaration that the disputes

---

13. Count five of the complaint is not directed against the Tribe; it seeks only to hold Cypress and Lehtinen individually liable for conversion.

between Tamiami and the Tribe that arise out of or relate to the Agreement are arbitrable, a judgment requiring the Tribe to comply with the October 1993 arbitration award, and a judgment compelling the Tribe to arbitrate certain disputes arising out of or relating to the Agreement. Plainly, these counts seek the type of relief expressly contemplated by Article 23.[14] Thus, the district court correctly refused to dismiss these counts on the ground of sovereign immunity.

Turning to the individual defendants' claims of immunity as tribal officers,[15] we begin with the proposition that tribal officers are protected by tribal sovereign immunity when they act in their official capacity and within the scope of their authority; however, they are subject to suit under the doctrine of *Ex parte Young*

---

14. We read count one (a) as requesting only that the district court, prior to ordering the Tribe to arbitrate a given dispute as requested in count three, determine that Tamiami has properly invoked an arbitration proceeding as to that dispute under Article 12 of the Agreement. So read, we find that count one (a) clearly falls within the portion of the Article 23 waiver that permits the district court to "enforce the terms [of the Agreement] specifically, [in the event that the Tribe] fails to participate in an arbitration proceeding invoked as provided in Article 12."

15. Each of the individual defendants claims tribal officer status; Tamiami does not dispute this claim. We therefore assume, without deciding, that all of the individual defendants — including attorney Lehtinen — were officers of the Tribe who undertook the complained-of actions in their official capacities. *Cf. Stock West Corp. v. Taylor*, 942 F.2d 655, 664-65 (9th Cir. 1991), *modified on reh'g*, 964 F.2d 912 (9th Cir. 1992) (en banc) (citing cases and discussing issue of when tribal attorney is acting as tribal official).

when they act beyond their authority.[16] In *Tamiami II*, 63 F.3d at 1050-51, we relied on *Ex parte Young* in affirming the district court's ruling that the Tribe's sovereign immunity did not shield the individual defendants from Tamiami's suit. Our holding pertained to the third count of Tamiami's amended complaint, which was brought under IGRA and its regulations. This count essentially alleged that the individual defendants, by abusing the licensing authority conferred by IGRA, had acted beyond the authority that the Tribe was capable of bestowing upon them. Tamiami's claims against the individual defendants in its present (second amended) complaint, however, do not mention IGRA or licensing at all. Instead, in counts one (b) and four through six, Tamiami merely offers various theories under which the individual defendants must pay it forty percent of MIB's net revenues. In our view, these claims against the individual defendants are simply a thinly-disguised attempt by Tamiami to obtain specific performance of the Tribe's obligations under the Agreement, which allocates forty percent of MIB's net revenues to Tamiami. The doctrine of *Ex parte Young* may not be used in this fashion. It is well established that *Ex parte Young* does not

---

16. *See Fletcher v. United States*, 116 F.3d 1315, 1324 (10th Cir. 1997); *Tamiami II*, 63 F.3d at 1050-51; *Northern States Power Co. v. Prairie Island Mdewakanton Sioux Indian Community*, 991 F.2d 458, 460 (8th Cir. 1993); *Imperial Granite Co. v. Pala Band of Mission Indians*, 940 F.2d 1269, 1271 (9th Cir. 1991); *Tenneco Oil Co. v. Sac & Fox Tribe of Indians*, 725 F.2d 572, 574-75 (10th Cir. 1984); *Thompson v. Crow Tribe of Indians*, 962 P.2d 577, 581-82 (Mont. 1998); *cf. Santa Clara Pueblo v. Martinez*, 436 U.S. 49, 59, 98 S. Ct. 1670, 1677, 56 L. Ed. 2d 106 (1978) (citing *Ex parte Young* and finding that a tribal officer was not protected by tribal sovereign immunity from a suit to enjoin enforcement of a tribal ordinance that allegedly violated a federal statute).

permit individual officers of a sovereign to be sued when the relief requested would, in effect, require the sovereign's specific performance of a contract. *See, e.g., Ex parte Young*, 209 U.S. 123, 151, 28 S. Ct. 441, 450, 52 L. Ed. 714 (1908) (citing *Ex parte Ayers*, 123 U.S. 443, 504, 8 S. Ct. 164, 182, 31 L. Ed. 216 (1887); *Hagood v. Southern*, 117 U.S. 52, 67-68, 6 S. Ct. 608, 615, 29 L. Ed. 805 (1886)); *MSA Realty Corp. v. Illinois*, 990 F.2d 288, 294-95 (7th Cir. 1993). We hold, therefore, that the district court erred in rejecting the individual defendants' claims of sovereign immunity under the doctrine of *Ex parte Young*.

IV.

For the foregoing reasons, the defendants' request that we exercise pendent appellate jurisdiction over the issue of whether Tamiami's second amended complaint fails to state a claim is DENIED. On the issue of subject matter jurisdiction, the district court's denial of the defendants' motions to dismiss is AFFIRMED. On the issue of sovereign immunity, the district court's denial of the Tribe's motion to dismiss is AFFIRMED as to counts one (a), two, and three, and REVERSED as to counts one (b), four, and six. The district court's denial of the individual defendants' motions to dismiss on the ground of sovereign immunity is REVERSED. We REMAND this case to the district court for further proceedings consistent with this opinion.

IT IS SO ORDERED.

Appendix H

IN THE UNITED STATES COURT OF APPEALS
FOR THE ELEVENTH CIRCUIT

No. 96-5262

TAMIAMI PARTNERS, LTD. by and through TAMIAMI DEVELOPMENT CORP., its general partner,

Plaintiff-Appellee,

versus

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA; BILLY CYPRESS; JASPER NELSON; JIMMIE BERT; MAX BILLIE; HENRY BERT; and DEXTER LEHTINEN,

Defendants-Appellants.

On Appeal from the United States District Court for the Southern District of Florida

BEFORE TJOFLAT and BIRCH, Circuit Judges, and RONEY, Senior Circuit Judge.

ORDER:

"Appellants' motion requesting pendent appellate jurisdiction" and "Defendant Dexter Lehtinen's motion requesting Eleventh Circuit to accept pendent appellate jurisdiction" are DENIED, as moot.

APPENDIX I — ORDER OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA ON PENDING MOTIONS DATED AND FILED SEPTEMBER 27, 1996

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 92-0489-CIV-HIGHSMITH

TAMIAMI PARTNERS, LTD. by and through TAMIAMI DEVELOPMENT CORPORATION, its general partner,

Plaintiff,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA, BILLY CYPRESS, JASPER NELSON, JIMMIE BERT, MAX BILLIE, HENRY BERT, and DEXTER LEHTINEN,

Defendants.

ORDER ON PENDING MOTIONS

THIS CAUSE came before the Court upon the following motions:

(1) Defendants Miccosukee Tribe of Indians of Florida, Billy Cypress, Jasper Nelson, Jimmie Bert, Max Billie, and Henry Bert's motion to dismiss second amended complaint (D.E. # 214);

(2) Defendant Dexter Lehtinen's motion to dismiss second amended complaint (D.E. # 215); and

(3) Plaintiff Tamiami Partners, Ltd.'s ("TPL") motion for partial summary judgment (D.E. # 217).

For the reasons stated below, the Court denies all motions.

PROCEDURAL BACKGROUND

On February 28, 1994 this Court issued an order regarding defendants' motion to dismiss the amended complaint. *Tamiami Partners v. Miccousukee Tribe*, 898 F. Supp. 1549 (S.D. Fla. 1994). The Court dismissed with prejudice TPL's claims against the tribal entities which were then before the Court as defendants (the Miccosukee Tribe of Indians of Florida, the Tribe's Business Council, the Tribal Court and the Tribal Gaming Agency). With regard to the Tribal Court, the Court found that the claims against it were moot, thereby requiring dismissal under the "case or controversies" requirement of Article III of the United States Constitution. With regard to the other tribal entities, the Court found that the claims against them were barred by sovereign immunity. The Court denied the motion to dismiss with respect to individual defendants Billy Cypress, Jasper Nelson, Jimmie Bert, Max Billie, Henry Bert, Andy Buster, and Minnie Bert, finding that sovereign immunity did not extend to them, pursuant to the *Ex Parte Young* doctrine.

On October 20, 1995, the Eleventh Circuit Court of Appeals affirmed in part this Court's order. *Tamiami Partners v. Miccosukee Tribe*, 63 F.3d 1030 (11th Cir. 1995). The Eleventh Circuit recognized the mootness of the claims against the Tribal

Court and made it applicable to the individual defendants who were tribal court judges (Andy Buster and Minnie Bert). With regard to the claims against the other tribal entities, the Eleventh Circuit stated that sovereign immunity barred TPL's breach of contract claim, but not the claim alleging violations of the Indian Gaming Regulatory Act ("IGRA") and the regulations of the National Indian Gaming Commission ("NIGC"). The Eleventh Circuit found, however, that because IGRA provides no right of action, TPL had failed to state a claim for relief under IGRA or NIGC regulations. Thus, the Eleventh Circuit affirmed the dismissal of the claims against all of the tribal entities. In a footnote, the Eleventh Circuit further opined:

> Tamiami remains free, of course, to seek enforcement in the district court of the October 6, 1993 arbitration award and to seek an order in the district court compelling arbitration of any remaining contract disputes.

Tamiami Partners, 63 F.3d at 1048 n.66.

With regard to the individual defendants (excepting the tribal judges), the Eleventh Circuit affirmed this Court's finding that they are not protected by sovereign immunity under the doctrine of *Ex Parte Young*. In a footnote, however, the Eleventh Circuit expressed doubts that TPL could state a claim for relief against them, given its prior determination that IGRA provides no right of action as to the tribal entities:

> We note that the district court must answer a similar question with respect to Tamiami's claims against the tribal officers: If, as Tamiami argues,

> the tribal officers have violated the authority the Tribe is capable of granting them, can a cause of action against those officers be found, either implicitly or explicitly, in IGRA?

Tamiami Partners, 63 F.3d at 1051 n.72.

After remand, TPL moved for leave to file a second amended complaint, which the Court granted. The second amended complaint names as defendants the Tribe itself, the individual members of the Business Council and the Tribal Gaming Agency (Billy Cypress, Jasper Nelson, Jimmie Bert, Max Billie, Henry Bert) and the Tribe's legal counsel, Dexter Lehtinen. It asserts the following claims:

Count I: Declaratory relief against all defendants, with regard to the arbitrability of the contract disputes between TPL and the Tribe and with regard to monies currently frozen at Jefferson National Bank.

Count II: Enforcement of arbitration award against the Tribe.

Count III: Compulsion of further arbitration against the Tribe.

Count IV: Injunctive relief as to the individual defendants to compel them to vacate orders with regard to monies at Jefferson Bank.

Appendix I

Count V: Conversion against Billy Cypress (Chairman of the Tribe) and Dexter Lehtinen (Counsel for the Tribe).

Count VI: Constructive Trust and Accounting.

As previously noted, all defendants have moved to dismiss the second amended complaint. In addition, TPL has moved for partial summary judgment as to Counts I and VI.

MOTIONS TO DISMISS

Upon its review of the second amended complaint and close study of the Eleventh Circuit's opinion, the Court finds that TPL has conformed its second amended complaint to the judicial determinations expressed in said opinion. TPL has asserted claims in Counts I, II, and III which are predicated upon the arbitration clause of the Management Agreement, in accordance with footnote 66 of the opinion (quoted above). The Court views this footnote comment as a guidepost issued by the Eleventh Circuit to this Court and to the parties regarding further proceedings upon remand. Indeed, the thoroughness of the opinion, as well as the Eleventh Circuit's rebuff of the defendants' requests for deletion of the footnote from the opinion, lead this Court to the inescapable conclusion that the Eleventh Circuit contemplated assertion of such claims upon remand. Therefore, the Court rejects the defendants' arguments regarding lack of subject matter jurisdiction, sovereign immunity, and failure to state a claim as to Counts I, II, and III of the second amended complaint. Similarly, the Court finds no merit in the defendants' arguments that TPL has waived arbitration.

With regard to Counts IV, V, and VI, the Court finds that it has jurisdiction to address those state law claims under the aegis of supplemental jurisdiction. Moreover, the Court rejects the individual defendants' invocation of sovereign immunity as to the claims asserted against them, pursuant to its prior analysis under the doctrine of *Ex Parte Young*, which was affirmed by the Eleventh Circuit.

MOTION FOR PARTIAL SUMMARY JUDGMENT

The plaintiffs have moved for partial summary judgment as to Count I (Declaratory Judgment) and Count VI (Constructive Trust and Accounting). The Court finds that this motion is premature since the case is not yet at issue. Moreover, the declaratory judgment and constructive trust claims both go to the heart of this controversy, in which every factual (and legal issue) has been and continues to be disputed among the parties. Therefore, the Court finds it inappropriate to dispose of these core claims in summary fashion.

CONCLUSION

Based on the foregoing considerations, it is

ORDERED AND ADJUDGED as follows:

(1) Defendants Miccosukee Tribe of Indians of Florida, Billy Cypress, Jasper Nelson, Jimmie Bert, Max Billie, and Henry Bert's motion to dismiss second amended complaint (D.E. # 214) is DENIED.

(2) Defendant Dexter Lehtinen's motion to dismiss second amended complaint (D.E. # 215) is DENIED.

(3) Plaintiff Tamiami Partners, Ltd.'s motion for partial summary judgment (D.E. # 217) is DENIED.

DONE AND ORDERED in Chambers, at Miami, Dade County, Florida, this 27th day of September, 1996.

s/ Shelby Highsmith
SHELBY HIGHSMITH
UNITED STATES DISTRICT JUDGE

APPENDIX J — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE ELEVENTH CIRCUIT DATED AUGUST 16, 1995

TAMIAMI PARTNERS, LTD., By and Through its general partner, TAMIAMI DEVELOPMENT CORPORATION,

Plaintiffs-Appellants,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA; Business Council of Miccosukee Tribe of Indians of Florida; Miccosukee Tribal Gaming Agency; Miccosukee Tribal Court; et al.,

Defendants-Appellees,

TAMIAMI PARTNERS, LTD., By and Through its general partner, TAMIAMI DEVELOPMENT CORPORATION,

Plaintiffs-Appellees,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA; Business Council of Miccosukee Tribe of Indians of Florida; Miccosukee Tribal Gaming Agency; Miccosukee Tribal Court,

Defendants,

Appendix J

Billy Cypress, Jasper Nelson, Jimmie Bert, Max Billie, Henry Bert, Andy Buster, Minnie Bert,

Defendants-Appellants.

TAMIAMI PARTNERS, LIMITED,

Plaintiff-Appellant,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA, Business Council of the Miccosukee Tribe of Indians, Miccosukee Tribal Gaming Agency, Miccosukee Tribal Court,

Defendants-Appellees,

Billy Cypress, Jasper Nelson, et al.,

Defendants.

Nos. 94-4403, 94-4405 and 94-4578.

United States Court of Appeals,
Eleventh Circuit.

Aug. 16, 1995.

* * *

Appendix J

Appeals from the United States District Court for the Southern District of Florida.

Before TJOFLAT, Chief Judge, COX, Circuit Judge, and YOUNG*, Senior District Judge.**

TJOFLAT, Chief Judge:

This case arises out of a contractual dispute between the Miccosukee Tribe of Indians of Florida ("the Tribe")[1] and Tamiami Partners, Ltd., the management contractor selected by the Tribe to manage the bingo gaming facility. When efforts to settle the dispute failed, Tamiami brought this action against the Tribe, the Tribe's Business Council and Gaming Agency, and the officers of these tribal entities who are responsible for overseeing the gaming operation (the "individual defendants" or "tribal officers"). The district court dismissed all claims against the Tribe, the Business Council, and the Gaming Agency on the ground that, because the Tribe has not waived its sovereign immunity, these tribal entities are not subject to suit. The court refused to extend the Tribe's sovereign immunity to the individual defendants, however, and denied their motion to dismiss the case.

---

* Honorable George C. Young, Senior U.S. District Judge for the Middle District of Florida, sitting by designation.

** Judge Young heard oral argument but did not participate in this decision. This decision is rendered by quorum. 28 U.S.C. § 46(d).

1. The Tribe is a federally recognized Indian tribe organized under the Indian Reorganization Act of 1934, 25 U.S.C. §§ 461-479 (1988).

After making these rulings, the district court granted the Tribe, the Business Council, and the Gaming Agency final judgment, pursuant to Fed.R.Civ.P. 54(b), and Tamiami appealed. The individual defendants also appealed, asserting that they are entitled to immediate appellate review of their claim to tribal immunity under the collateral order doctrine established by *Cohen v. Beneficial Indust. Loan Corp.*, 337 U.S. 541, 69 S.Ct. 1221, 93 L.Ed. 1528 (1949).

We affirm the district court's dismissal of Tamiami's complaint against the Tribe, the Business Council, and the Gaming Agency because the complaint fails to state a claim for relief against them. Furthermore, we affirm the district court's determination that the individual defendants are not shielded by the Tribe's sovereign immunity.

This case has a convoluted history. In an earlier appeal, *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians*, 999 F.2d 503 (11th Cir.1993), we remanded the case to the district court with the admonition that, if one of the parties did not replead its case within thirty days, the district court must dismiss the case. *Id.* at 508. Tamiami repleaded its case, and, in the aftermath of bitter infighting among the parties, the case is here once again.

To place the issues presented by these appeals in proper context, we first review the federal statutory scheme under which the Tribe established and currently operates its bingo facility[2] and then review the history of this litigation. Next,

---

2. We review the statutory scheme in considerable detail in part I *infra* because a full understanding of the scheme is necessary

(Cont'd)

we address the questions whether Tamiami has stated a claim for relief against the Tribe, the Business Council, and the Gaming Agency and whether the tribal officers, if they have presented a cognizable appeal under the *Cohen* doctrine, are entitled to sovereign immunity.

I.

A.

On October 17, 1988, Congress enacted the Indian Gaming Regulatory Act, 25 U.S.C. §§ 2701-2721 (1988) ("IGRA" or "the statute"), a comprehensive statute governing the operation of gaming facilities on Indian lands.[3] For

---

(Cont'd)
to a resolution of Tamiami's appeal of the district court's final judgment dismissing its claims against the Tribe, the Business Council, and the Gaming Agency in No. 94-4578. Moreover, throughout this litigation the parties have consistently ignored the relevant provisions of the statute and implementing regulations.

3. IGRA divides Indian gaming into three categories: class I, class II, and class III. Class I gaming "means social games solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as part of, or in connection with, tribal ceremonies or celebrations," 25 U.S.C. § 2703(6); class II gaming primarily consists of "the game of chance commonly known as bingo . . . including . . . pull-tabs, lotto, punch boards, tip jars, instant bingo, and other games similar to bingo . . . , " *id.* § 2703(7)(A); class III gaming "means all forms of gaming that are not class I gaming or class II gaming," *id.* § 2703(8), and thus includes slot machine, parimutuel, and casino gaming.

(Cont'd)

several years prior to the enactment of IGRA, Congress had considered the need for federal legislation to govern the rapidly expanding field of Indian gaming.[4] As stated in the

---

(Cont'd)

Because this appeal concerns only class II gaming, we make reference to the other classes only as is necessary to facilitate our discussion of the issues before this court.

4. Congress supported its enactment of the statute with the following findings:

> (1) numerous Indian tribes have become engaged in or have licensed gaming activities on Indian lands as a means of generating tribal governmental revenue;
>
> (2) Federal courts have held that section 81 of [Title 25] requires Secretarial review of management contracts dealing with Indian gaming, but does not provide standards for approval of such contracts;
>
> (3) existing Federal law does not provide clear standards or regulations for the conduct of gaming on Indian lands;
>
> (4) a principal goal of Federal Indian policy is to promote tribal economic development, tribal self-sufficiency, and strong tribal government; and
>
> (5) Indian tribes have the exclusive right to regulate gaming activity on Indian lands if the gaming activity is not specifically prohibited by Federal law and is conducted within a State which does not, as a matter of criminal law and public policy, prohibit such gaming activity.

Id. § 2701.

Senate Report submitted with the statute at the time of its passage, "[t]he purpose of the act is to provide a statutory basis for operating Indian gaming to promote economic development, to shield tribes from organized crime, to assure fairness to operators and players, and to establish a Federal regulatory authority for Indian gaming to meet congressional concerns." S.Rep. No. 446, 100th Cong., 2d Sess. 15-16 (1988), *reprinted in* 1988 U.S.C.C.A.N. 3071, 3085-86. The legislative history makes clear the purpose and effect of the statute: to protect the Indian gaming industry from corruption and to provide for extensive federal oversight of all but the most rudimentary forms of Indian gaming.[5]

The statute affirms tribal sovereignty by noting that "unless a tribe affirmatively elects to have State laws and State jurisdiction extend to tribal lands, the Congress will not unilaterally impose or allow *State* jurisdiction on Indian lands for the regulation of Indian gaming activities." *Id.* at 5-6, 1988 U.S.C.C.A.N. at 3075 (emphasis added).[6] The Senate report unequivocally states, however, that IGRA "is intended to expressly preempt the field in the governance of gaming activities on Indian lands." *Id.* at 6, 1988 U.S.C.C.A.N. at 3076. The occupation of this field by federal law is evidenced by the

---

5. "Class I gaming on Indian lands is within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this chapter." 25 U.S.C. § 2710(a)(1).

6. The requirement of affirmative election of "State laws and State jurisdiction" anticipates that tribes could elect to be subject to state jurisdiction pursuant to a Tribal-State compact negotiated for the purpose of instituting class III gaming on Indian lands. *See* 25 U.S.C. § 2710(d).

broad reach of the statute's regulatory and enforcement provisions and is underscored by the comprehensive regulations promulgated under the statute.

B.

IGRA established the National Indian Gaming Commission (the "NIGC" or "Commission"), a three-member body within the Department of the Interior consisting of a Chairman appointed by the President and two associate members appointed by the Secretary of the Interior. *See* 25 U.S.C. § 2704(a), (b)(1). The statute confers extensive powers upon the Chairman and the Commission.

The Chairman's powers, outlined in section 2705 of the statute, include the power to close a gaming facility temporarily,[7]

---

7. Section 2713(b) provides that:

> (1) The Chairman shall have power to order temporary closure of an Indian game for substantial violation of the provisions of this chapter, of regulations prescribed by the Commission pursuant to this chapter, or of tribal regulations, ordinances, or resolutions . . . .
>
> (2) Not later than thirty days after the issuance by the Chairman of an order of temporary closure, the Indian tribe or management contractor involved shall have a right to a hearing before the Commission to determine whether such order should be made permanent or dissolved. Not later than sixty days following such hearing, the Commission shall, by a vote of not less than two of its members, decide whether to order a permanent closure of the gaming operation.

to fine,[8] to approve tribal ordinances and resolutions,[9] and to approve management contracts.[10] The Commission's discretionary powers, outlined in sections 2706(a) and (b), include the power to adopt regulations governing fines,[11]

---

8. Section 2713(a) dictates that:

> (1) Subject to such regulations as may be prescribed by the Commission, the Chairman shall have authority to levy and collect appropriate civil fines, not to exceed $25,000 per violation, against the tribal operator of an Indian game or a management contractor engaged in gaming for any violation of any provision of this chapter, any regulation prescribed by the Commission pursuant to this chapter, or tribal regulations, ordinances, or resolutions . . . .
>
> (2) The Commission shall, by regulation, provide an opportunity for appeal and hearing before the Commission on fines levied and collected by the Chairman.

The regulations governing appeals, as promulgated by the Commission, are discussed in section I.E. *infra*.

9. Section 2710, which governs the Chairman's approval of ordinances and resolutions, is discussed in detail in section I.C. *infra*.

10. Section 2711, which governs the Chairman's approval of management contracts, is discussed in detail in section I.D. *infra*.

11. *See supra* note 8.

to authorize the Chairman to issue subpoenas,[12] to close a gaming facility permanently,[13] to inspect the books and records of a class II gaming facility, and to hold hearings. The Commission must monitor class II gaming continuously, inspect class II gaming premises, promulgate regulations necessary to implement IGRA, and conduct background investigations of, among others, management contractors, such as Tamiami, and their employees. 25 U.S.C. § 2706(b). Pursuant to its mandate to issue regulations, the Commission did so comprehensively. *See* 25 C.F.R. §§ 501.1-577.15 (1994).

---

12. Section 2715(a) specifies that:

> [T]he Commission shall have the power to require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under consideration or investigation. . . .

Section 2715(c) instructs that:

> Any court of the United States within the jurisdiction of which an inquiry is carried on may, in case of contumacy or refusal to obey a subpoena for any reason, issue an order requiring such person to appear before the Commission . . . and give evidence concerning the matter in question and any failure to obey such order of the court may be punished by such court as a contempt thereof.

13. *See supra* note 7.

Appendix J

C.

1.

Before a tribe may begin to operate an organized gambling facility, IGRA requires that the tribe adopt a tribal ordinance or resolution authorizing and governing gaming on the tribe's reservation. A tribe may "engage in, or license and regulate" class II gaming only if:

> (A) such Indian gaming is located within a State that permits such gaming for any purpose by any person, organization or entity (and such gaming is not otherwise specifically prohibited on Indian lands by Federal law), and
>
> (B) the governing body of the Indian tribe adopts an ordinance or resolution which is approved by the Chairman.

25 U.S.C. § 2719(b)(1). The Chairman's approval of a tribal ordinance or resolution is contingent upon several factors set forth in the statute and the regulations. For example, the tribe must have "the sole proprietary interest and responsibility for the conduct of any gaming activity," *id.* § 2710(b)(2)(A),[14] and must provide

---

14. The statute further orders that net revenues be distributed for the benefit of one or more of the following: the tribe, tribal members, tribal government, tribal economic development, charitable organizations, or local government agencies. *Id.* § 2710(b)(2)(B).

(Cont'd)

annual outside audits of the gaming enterprise. *Id.* § 2710(b)(2)(C).[15]

2.

Section 2710(b)(2)(F) of IGRA, which governs a tribe's licensing of a management contractor and its employees, lies at the center of this controversy between the Tribe and Tamiami. Thus, we examine this statutory provision, and the NIGC's implementing regulations, in detail. The statute requires that the tribe conduct background investigations of "primary management officials and key employees of the gaming enterprise" and maintain ongoing oversight of these officials and employees.[16] 25 U.S.C. § 2710(b)(2)(F)(i).

(Cont'd)

An exception to the "sole proprietary interest" requirement of § 2710(b)(2)(A) is allowed if the tribe wishes to license a "person or entity other than the Indian tribe" provided that the licensee agrees to conform with § 2710(b)(2)(B)(i)'s requirement that net revenues be distributed "to fund tribal government operations or programs." *Id.* § 2710(b)(4)(A).

15. IGRA also requires independent audits of "all contracts for supplies, services, or concessions for a contract amount in excess of $25,000 annually . . . relating to such gaming." 25 U.S.C. § 2710(b)(2)(D). In addition, the construction, maintenance, and operation of gaming facilities must not present a threat to the environment or to public health and safety. *Id.* § 2719(b)(2)(E).

16. The NIGC Chairman's approval of a tribal ordinance is contingent upon the existence of tribal procedures that ensure adequate background investigations. *See id.* § 2710(b)(2)(F); 25 C.F.R. § 522.2(b).

Furthermore, the tribe must institute a system for licensing these individuals and must notify the Commission of the results of background investigations prior to licensing. *Id.* § 2710(b)(2)(F)(ii). A license may not be issued to any individual who presents "a threat to the public interest or to the effective regulation of gaming." *Id.* The Commission has "thirty days to notify the Indian tribe of any objections to the issuance of such license." *Id.* § 2710(c)(1). If the Commission finds that a license has been issued to an official who fails to satisfy the standards set forth in the statute, the Commission "shall suspend such license and, after notice and hearing, may revoke such license." *Id.* § 2710(c)(2). Significantly, as strongly implied by the statute[17] and expressly stated in the regulations,[18] the right to a hearing concerning licensing vests only upon the receipt of a license.

---

17. Section 2710(c)(2) states:

> If, after the issuance of a gaming license by an Indian tribe, reliable information is received from the Commission indicating that a primary management official or key employee does not meet the standard established [to pass a background investigation], the Indian tribe shall suspend such license and, after notice and hearing, may revoke such license.

18. The regulations provide that the Commission shall notify the tribe that issued a gaming license if the recipient of that license is unsuitable because of criminal history, reputation, or the like. 25 C.F.R. § 558.5. The tribe must then suspend the license and hold a hearing on the proposed revocation of the license. 25 C.F.R. § 558.5(c). The revocation decision lies solely with the tribe, which "shall notify the Commission of its decision." *Id.* § 558.5(d). Section 558.1(d) states that "[a] right to a hearing under § 558.5 of this part shall vest only upon receipt of a license granted under an ordinance approved by the Chairman."

Neither the statute nor the regulations provides for Commission review of a tribe's refusal to issue a license.

Furthermore, under the regulations, a tribal ordinance must provide "[a] description of procedures for resolving disputes between the gaming public and the tribe or the management contractor." 25 C.F.R. § 522.2(f). The Commission's regulations do not address whether a tribal ordinance must provide a mechanism for the resolution of a dispute between the tribe and the management contractor. As discussed in section I.D. *infra,* however, the regulations do require that management contracts entered into after the Commission's promulgation of the rules concerning management contracts — that is, management contracts formed after January 22, 1993 — contain provisions for the resolution of such disputes.

3.

IGRA provides that "the Chairman shall approve [an] ordinance or resolution" not later than ninety days after its submission by the tribe "if it meets the requirements of [section 2710 of the statute]."[19] 25 U.S.C. § 2710(e). Existing ordinances and resolutions must also conform to the provisions of IGRA and the Commission's regulations.[20]

---

19. If the Chairman has not acted by the end of the ninety-day period, the ordinance or resolution "shall be considered to have been approved by the Chairman, but only to the extent such ordinance or resolution is consistent with the provisions of this chapter." 25 U.S.C. § 2710(e).

20. In accordance with § 2712 of the statute and § 523.2 of the regulations, an Indian tribe must, within 60 days of notification by

(Cont'd)

If the Chairman rejects an ordinance or resolution (new or existing) or an amendment to an existing ordinance or resolution, the tribe has the right to appeal to the full Commission. 25 C.F.R. § 524.1. An entity other than the aggrieved tribe may participate in the tribe's appeal to the limited extent of filing one written submission to the Commission, unless "the Commission determines further participation would substantially contribute to the record." *Id.* § 524.2. Thus, the regulations provide no means by which a party, other than the tribe, may appeal the Chairman's rejection of a tribal gaming ordinance, resolution, or amendment — a party may only participate once the tribe has made such an appeal.

Under section 2714, "[d]ecisions made by the Commission pursuant to sections 2710 . . . [and] 2712 . . . shall be final agency decisions for purposes of appeal to the appropriate Federal

---

(Cont'd)
the Chairman, submit for the Chairman's review any ordinance or resolution adopted prior to October 17, 1988, the effective date of the statute. *See* 25 U.S.C. § 2712(a); 25 C.F.R. § 523.2. The Chairman then has ninety days to review the ordinance or resolution and, if it conforms with the requirements of § 2710(b) of the statute and § 522 of the regulations, discussed in subsections I.C.1. & I.C.2. *supra,* the Chairman shall approve it. 25 U.S.C. § 2710(b)(2); 25 C.F.R. § 523.3(a). If the ordinance or resolution does not meet these requirements, the Chairman must notify the tribe of the necessary modifications, and the tribe has 120 days to achieve compliance. 25 U.S.C. § 2712(b)(3); 25 C.F.R. § 523.3(b), (c). Under § 523.4 of the regulations, a tribe must submit any amendments of an existing ordinance to the Chairman, who then has 90 days to determine whether the amendment satisfies the requirements of the statute and the regulations. 25 C.F.R. § 523.4.

district court pursuant to chapter 7 of Title 5 [the Administrative Procedure Act]." 25 U.S.C. § 2714.[21]

D.

The Chairman also has responsibility for approving or disapproving management contracts made between Indian tribes and contractors for the purpose of conducting class II gaming. All management contracts, including those — such as the contract involved in this case — previously approved by the Secretary of the Interior, must be approved by the Chairman.[22] Section 2711(a) requires, as a condition of

---

21. Section 2714 also applies to Commission decisions made pursuant to § 2711 and § 2713. *See* 25 U.S.C. § 2714; *infra* sections I.D. and I.E.

22. As with existing ordinances, discussed in subsection I.C.3. *supra,* IGRA and its implementing regulations provide for the Chairman's review of management contracts made prior to October 17, 1988, the effective date of the statute. Under § 2712, after notification by the Chairman, a tribe or management contractor must provide such contract for review. If the contract complies with the provisions of § 2711, the Chairman shall approve it; if it does not comply, the parties must make the necessary modifications within the prescribed time limits. *See* 25 U.S.C. § 2712(c).

Because § 2709 provides that the Secretary of the Interior would continue to regulate gaming until the Commission became functional, any management agreement approved by the Secretary after enactment of IGRA but before the Commission's organization would not be subject to the requirements of § 2712. This gap in the

(Cont'd)

approval, that those individuals forming the proposed management entity provide detailed information, including personal data, previous gaming experience, and extensive financial statements.[23] 25 U.S.C. § 2711(a)(1). The Chairman has

---

(Cont'd)
statute appears to have been addressed by the NIGC regulations, which state:

> A tribe or a management contractor shall submit a management contract to the Chairman for review as follows:
>
> (a) Contracts approved by the Secretary, within sixty (60) days after a request by the Chairman. . . .
>
> (b) All other contracts, upon execution.

25 C.F.R. § 533.2. Thus, under the regulations, the Chairman has discretion to determine whether contracts approved by the Secretary after October 17, 1988 should be submitted to him for review. *See United States ex rel. Mosay v. Buffalo Bros. Management, Inc.*, 20 F.3d 739, 744 (7th Cir.1994) (noting the "anomaly" created by § 2712), *cert. denied,* __ U.S. __, 115 S.Ct. 185, 130 L.Ed.2d 119 (1994).

23. Under § 2711(b), "[t]he Chairman may approve any management contract entered into pursuant to this section" only if he finds that the contract provides for: (1) adequate accounting procedures and financial reports; (2) tribal access to the daily operation of the gaming in order to verify revenue and income; (3) minimum guaranteed payments to the tribe; (4) a ceiling for the repayment of development costs; (5) a contract term length not exceeding prescribed maximums; and (6) grounds and mechanisms for terminating the contract. 25 U.S.C. § 2711(b). Section 531.1 of the regulations contains specific provisions related to each of these statutory requirements.

authority to "approve a management contract providing for a fee based upon a percentage of the net revenues of a tribal gaming activity if the Chairman determines that such percentage fee is reasonable in light of surrounding circumstances."[24] 25 U.S.C. § 2711(c)(1). Section 2711(e) sets forth specific restrictions on the Chairman's authority to approve a management contract.[25]

In addition, section 531.1 of the regulations mandates that contracts not already approved by the Secretary of the Interior

---

24. The regulations set the maximum percentage at "[n]ot more than forty (40) percent of the net revenues if the Chairman is satisfied that the capital investment required and income projections" favor such an arrangement. 25 C.F.R. § 531.1(i)(2).

25. The Chairman shall not approve the contract if any person in the management group, or any person with a financial interest in the management group, is an elected member of the tribe; has been or is later convicted of a felony or gaming offense; has knowingly or willfully provided materially false background information; or poses a threat to the fair, effective, and legal operation of the gaming enterprise. 25 U.S.C. § 2711(e)(1). Furthermore, the Chairman shall not approve the contract if "the management contractor has, or has attempted to, unduly interfere or influence for its gain or advantage any decision or process of tribal government relating to the gaming activity," *id.* § 2711(e)(2); if "the management contractor has deliberately or substantially failed to comply with the terms of the management contract or the tribal gaming ordinance or resolution adopted and approved pursuant to this chapter," *id.* § 2711(e)(3); or if "a trustee, exercising the skill and diligence that a trustee is commonly held to, would not approve the contract." *Id.* § 2711(e)(4). These statutory standards for disapproval of management contracts are essentially duplicated in the regulations. *See* 25 C.F.R. § 533.6(b).

as of January 22, 1993 — the date the Commission promulgated its management contract regulations — include certain additional mechanisms to, among other things, ensure that all gaming "will be conducted in accordance with [IGRA] and governing tribal ordinance(s)" and to provide a mechanism to resolve disputes, including those between the management contractor and the tribe.[26] *See* 25 C.F.R. § 531.1(a), (k).

Under section 2711(d) of the statute, the Chairman has a maximum of 180 days to determine whether the management contract satisfies the prescribed criteria.[27] Furthermore, IGRA provides that "[t]he Indian tribe may bring an action in a United States district court to compel action by the Chairman if a contract has not been approved or disapproved within the [specified] period." 25 U.S.C. § 2711(d). Section 2714, which permits federal district court review of final agency decisions pursuant to the Administrative Procedure Act, applies to decisions made by the Commission under section 2711.

---

26. Section 531.1 also calls for contractual provisions that delegate responsibilities to each of the parties for various gaming functions, govern assignments and subcontracts (if permitted), determine the effect of ownership changes, and state that the contract is only effective upon approval by the Chairman. *See* 25 C.F.R. § 531.1(b), (*l*)-(n).

27. The time period for approval or disapproval may be extended by 90 days if the Chairman provides the reason for the delay, in writing, to the tribe. 25 U.S.C. § 2711(d).

Appendix J

E.

As discussed in section I.B. *infra,* the Chairman has broad powers, under section 2713 of the statute and sections 573 and 575 of the regulations, to levy fines and close gaming facilities. If the Chairman imposes either form of penalty, the affected Indian tribe or management contractor has the right to a hearing before the Commission or its appointed designee. 25 U.S.C. § 2713(a)(2), (b)(2); 25 C.F.R. § 577. A final decision of the Commission regarding fines or permanent closure is also "appealable to the appropriate Federal district court" pursuant to the Administrative Procedure Act. 25 U.S.C. § 2713(c).[28]

II.

A.

On September 25, 1985, the Tribe enacted Ordinance 85-3 (the "1985 Ordinance"), which authorized bingo gaming on its Tribal lands. This ordinance provided that "[t]he Tribe, through its duly constituted officers, may conduct a Bingo game or games on the Reservation either directly or through a qualified Contractor" and that Tribal revenue from the operation of bingo gaming "shall be utilized by the Tribe to promote the health, education and general welfare of its people."[29] Acting pursuant to this ordinance, the Tribe established a bingo facility and entered

---

28. Section 2714, discussed in subsection I.C.3. *supra,* serves as a second source of authority for such appeal.

29. After Congress enacted IGRA in 1988, the Tribe amended the 1985 Ordinance, adding references to the statute and amending

(Cont'd)

into an agreement with a "qualified contractor" to operate the facility. The Tribe selected Tamiami Development Corporation ("TDC"), a Florida corporation, as the contractor.

On April 7, 1989, the Tribe entered into an agreement (the "Management Agreement" or "Agreement") with TDC to operate a bingo facility under the gaming scheme authorized by the 1985 Ordinance and IGRA. For a fixed percentage of the facility's net bingo revenues, TDC agreed to purchase a parcel of real estate (outside the Miccosukee reservation), convey the parcel to the United States in trust for the Tribe, and then design, construct, and manage the facility. The Management Agreement has a seven-year term and allows TDC, at its option, to renew the Agreement for an additional term of three years.

Article 12 of the Agreement, entitled "Disputes — Arbitration," states that "[a]ll disputes, controversies and/or claims arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration." This article includes the method of selecting arbitrators, the procedures for those arbitrators to follow, and states that (unless otherwise provided) the Commercial Arbitration Rules of the American Arbitration Association are to govern any arbitration proceedings.

(Cont'd)
certain provisions of the ordinance to conform to IGRA. The record does not reveal whether the 1985 Ordinance was amended before or after the execution of the management agreement involved in this case.

Appendix J

Under Article 23 of the Agreement, entitled "Waiver of Sovereign Immunity,"[30] the Tribe agrees to waive its common law immunity from a suit brought by Tamiami to compel arbitration under Article 12 or to enforce an arbitration award. Article 23 specifies that:

> The [Tribe] waives its sovereign immunity from suit as expressly provided in this Article. The United States District Court for the Southern District of Florida, shall have jurisdiction over the parties hereto in order to enforce the terms hereof specifically, upon one or both of the following events (i) [Tribe] fails to participate in an arbitration proceeding invoked as provided in Article 12, or (ii) failure by [Tribe] to abide by the terms of an arbitration award. . . . This waiver of sovereign immunity shall not become effective until Manager has given written notice to the Miccosukee Tribal Business Council, detailing the

---

30. Absent tribal waiver or congressional abrogation, an Indian tribe is shielded from suit by sovereign immunity. "Indian tribes have long been recognized as possessing the common-law immunity from suit traditionally enjoyed by sovereign powers. This aspect of tribal sovereignty, like all others, is subject to the superior and plenary control of Congress. But without congressional authorization, the Indian Nations are exempt from suit." *Santa Clara Pueblo v. Martinez*, 436 U.S. 49, 58, 98 S.Ct. 1670, 1677, 56 L.Ed.2d 106 (1978) (citations and internal quotations omitted). However, "because of the peculiar 'quasi-sovereign' status of the Indian tribes, the Tribe's immunity is not congruent with that which the Federal Government, or the States, enjoy." *Three Affiliated Tribes of the Fort Berthold Reservation v. Wold Eng'g*, 476 U.S. 877, 890, 106 S.Ct. 2305, 2313, 90 L.Ed.2d 881 (1986).

> nature of the complaint and the [Tribe] shall have failed after 30 days following such notice to cure such complaint.

As required by IGRA,[31] the Tribe submitted the Management Agreement to the Secretary of the Interior for approval. The Secretary, through a designee, subsequently approved the Agreement.[32]

Following the Secretary's approval, TDC purchased a twenty-five acre site in Dade County, Florida and deeded it to the United States in trust for the Tribe; TDC then built the bingo facility. TDC's investment in the land and improvements totalled approximately $6.5 million.

On January 23, 1990, again with the Secretary's approval, the parties effected a novation of the Agreement whereby Tamiami Partners, Ltd., a Florida limited partnership, was substituted for TDC. TDC remained associated with the gaming enterprise, however, as

---

31. *See supra* note 22.

32. The Tribe and TDC made their agreement prior to the organization of the three-member Commission. The Commission was fully constituted in April 1991, after the Secretary of the Interior had appointed two Commissioners, and the Senate had confirmed the Chairman. The Commission promulgated its regulations throughout 1992 and 1993, the majority of the regulations being issued on January 22, 1993. Consequently, under section 2709 of the statute, at the time the Agreement was reached, the Secretary of the Interior (or the Secretary's designee) held the authority to approve the Agreement.

Tamiami's general partner. In September 1990, Miccosukee Indian Bingo ("MIB") began operations.

On August 9, 1991, the Tribe, carrying out IGRA's mandate,[33] adopted Ordinance No. 08-09-91 (the "1991 Ordinance") to provide for the registration and subsequent licensing of the managers and key employees of its gaming enterprises, including the one managed by Tamiami. The 1991 Ordinance established a Tribal Gaming Agency to oversee the Tribe's gaming operations, including the background investigation and licensing of the managers and key employees. As to each person licensed, the ordinance required the Agency to notify the NIGC of the results of the background investigation.[34] The ordinance gave the Tribe's Chief of Police the responsibility for conducting these background investigations, reporting the investigation results to the Tribal Gaming Agency, and recommending whether a license should issue. Anyone denied a license was given the right to appeal to the Gaming Agency and, if still dissatisfied, to the Tribal Court.[35]

---

33. *See supra* subsection I.C.1.

34. This provision was required by 25 U.S.C. § 2710(b)(2)(F). *See supra* subsection I.C.2.

35. In the fall of 1991, the Tribe submitted the 1991 Ordinance to the NIGC with a request that the Commission "provide a written analysis as to whether these items meet the regulatory requirements of the IGRA." In its letter of response, the Commission noted that it had not yet promulgated regulations prescribing precise standards for licensing and, therefore, could not provide a definitive response.

(Cont'd)

Appendix J

B.

The Tribe made offers to purchase Tamiami's interest in MIB on two separate occasions during the first sixteen months of the bingo facility's operations. The Tribe's first offer was for $2 million less than Tamiami's initial investment in the enterprise; the second offer was for the amount of Tamiami's investment.[36] Tamiami

---

(Cont'd)
Nevertheless, the Commission commented that "[t]he information being requested appears to be within the scope of the Tribe's authority to require," and "[t]he information requirements imposed appear not to be in conflict with the requirements of the IGRA and should provide much of the information necessary to conduct the background investigations and make the required determinations as to suitability for employment."

As with preexisting management agreements, discussed *supra* note 22, the provisions of IGRA dealing with the Chairman's approval of preexisting ordinances do not address the procedures for approving ordinances made after enactment of IGRA but before the Commission began to function. Technically, the Tribe should have submitted the 1991 Ordinance to the Secretary of the Interior for approval. *See supra* note 22; *see also* 25 U.S.C. § 2709. Given the Commission's response to the Tribe's letter, however, it appears that the 1991 Ordinance was valid. Section 2710(e) of the statute, which states that any ordinance not approved by the Chairman within 90 days of submission "shall be considered to have been approved by the Chairman, but only to the extent such ordinance or resolution is consistent with the provisions of [IGRA]" supports this conclusion.

36. The Tribe's two offers are described in Tamiami's amended complaint. The Tribe's answer to that complaint denied that it had made any such offers. The materials in the record suggest that the offers were made as alleged. Whether this is so, however, has no bearing on the decision we reach today.

rejected both offers. Thereafter, in a letter dated January 28, 1992, the Tribe notified Tamiami that the Agreement had been "terminated by action of the [Tribe's] Business Council . . . effective 30 days from the date hereof, because of repeated and flagrant violations of the letter and spirit of that Agreement." Among other things, the Tribe alleged that Tamiami had: (1) refused to allow Tribal representatives to inspect the business and financial records of the gaming enterprise; (2) impeded the ability of outside accountants to conduct an audit of the enterprise; (3) failed to obtain the Tribe's approval of non-budgeted expenditures; (4) violated the 1991 Ordinance by failing to register its managers and key employees (presumably so that their backgrounds could be investigated and licenses issued); and (5) failed to provide a plan for the preferential employment of Tribal members.

Tamiami responded to the Tribe's allegations on February 4, 1992, refuting each of the Tribe's stated reasons for terminating the Agreement and declaring that the termination was "ineffective" and was "a nullity." On February 11, the Tribe acknowledged receipt of Tamiami's response and advised Tamiami that the Agreement had been terminated effective the twenty-eighth of that month.

On February 25, pursuant to Article 12 of the Agreement, Tamiami formally demanded arbitration "to determine the validity of the Tribe's purported notice of termination." In its demand letter, Tamiami's attorney gave an interpretation of the dispute and made a request of the Tribe:

> [T]he Tribe intends to unilaterally settle this matter, even though the parties disagree regarding

> the merits of the Tribe's claimed right to terminate the Agreement. The Agreement requires that all disputes, controversies and claims under the Agreement be "settled by arbitration," not by unilateral action by one party to the Agreement . . . . [T]o avoid the extraordinary expense for both parties of filing an action in federal court to protect [Tamiami's] rights, I am also writing to request that the Tribe, without giving up any rights, claims or positions it might have, defer any action on the purported termination until this matter is "settled by arbitration."

Tamiami requested that the Tribe respond to its letter by noon the following day.

The Tribe did not respond to Tamiami's demand for arbitration; instead, on February 26, it filed a "Statement of Claim" in the Miccosukee Tribal Court (the "tribal suit"). The Tribe alleged that Tamiami, "as manager of [MIB,] has violated federal and state law and tribal ordinances and customs, and a federally approved management agreement to the detriment of the Tribe." The Tribe sought the following relief: (1) a declaration that the Management Agreement had been terminated; (2) an order directing Tamiami to vacate the premises and to give the Tribe control of MIB; (3) an order directing the Tribal police to enforce such order; and (4) attorney's fees and costs.

On February 27, Tamiami answered the tribal suit by bringing this action against the Tribe in the United States District Court for the Southern District of Florida. Tamiami's

complaint sought an order, under Article 23 of the Agreement, compelling the Tribe to arbitrate the dispute as required by Article 12 of the Agreement[37] and preventing the Tribe from taking control of MIB pending the completion of such arbitration. On February 28, on Tamiami's application, the district court issued a temporary restraining order directing the parties to maintain the status quo.

On March 5, 1992, the district court issued the first of two interim "omnibus orders" in the case. Addressing the threshold question of its subject matter jurisdiction, the court concluded that such jurisdiction existed because the case presented the question of the exercise of tribal court power over a non-Indian:

> [T]his case requires that the [District] Court construe an agreement between Indians and non-Indians that includes a limited waiver of sovereign immunity by the Tribe; and that, on its face, provides for arbitration of all disputes arising from the agreement. The Court must interpret these contractual provisions to determine whether it should compel arbitration, thereby enjoining prosecution of a claim filed by the Tribe in tribal court. The case therefore, presents a federal common law question — the exercise of Tribal Court judicial power over non-Indians. *National Farmers Union Ins. Co. v. Crow Tribe of Indians,*

---

37. Tamiami abandoned its request for an order to compel arbitration when it filed its amended complaint on September 14, 1993. *See infra* section II.C & subsection III.B.1.a.

> 471 U.S. 845, 852, 105 S.Ct. 2447, 2451, 85 L.Ed.2d 818 (1985) ("The question whether an Indian tribe retains the power to compel a non-Indian property owner to submit to the civil jurisdiction of a tribal court is one that must be answered by reference to federal law and is a 'federal question' under § 1331.")

Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians, 788 F.Supp. 566, 568 (S.D.Fla.1992) (citation omitted). The court, however, citing *Iowa Mutual Insurance v. LaPlante,* 480 U.S. 9, 107 S.Ct. 971, 94 L.Ed.2d 10 (1987) and *National Farmers* for the proposition that the federal court should "stay [ ] its hand until after the Tribal Court has had a full opportunity to review its own jurisdiction," *National Farmers,* 471 U.S. at 857, 105 S.Ct. at 2454, stayed further proceedings in the case pending the parties' exhaustion of their remedies in the Tribal Court. *Tamiami,* 788 F.Supp. at 570.[38] The district court therefore vacated the February 28

---

38. It appears from the passages of the district court's first omnibus order quoted in the text that the district court misread Tamiami's claim for relief and thus misapplied *National Farmers.* In *National Farmers,* a tribal court awarded an Indian schoolchild a money judgment by default against a non-Indian school district that was insured by National Farmers Union Insurance Companies. The tribal court was preparing to issue a writ of execution, which National Farmers would have to satisfy. Contending that the judgment was invalid because the tribal court lacked jurisdiction to enter a money judgment against the non-Indian school district, National Farmers sought a federal district court order enjoining the execution of the writ. The district court had subject matter jurisdiction of the case under 28 U.S.C. § 1331 because the gravamen of National Farmers'

(Cont'd)

temporary restraining order. The court also indicated that it would lift the stay if: (1) the Tribe, engaging in self-help, attempted

---

(Cont'd)
complaint was that the tribal court's judgment was invalid as a matter of federal common law. The district court issued the injunction. On certiorari, the Supreme Court held that, although the district court had jurisdiction to entertain National Farmers' claim, the court should have stayed its hand to give the tribal court an opportunity to determine whether it had jurisdiction to entertain the Indian schoolchild's suit against the non-Indian school district. The tribal court could make such determination on a motion by National Farmers to set aside the default judgment and dismiss the suit.

Tamiami's complaint against the Tribe *did not* allege that the Tribal court, lacking subject matter jurisdiction, was about to enter a judgment against Tamiami and that, unless the Tribal Court were enjoined, the judgment would issue and Tamiami would suffer irreparable injury. Rather, Tamiami's complaint alleged that the Tribe had breached its duty to arbitrate as required by Article 12 of the Agreement and that, as a result of such breach, Tamiami was entitled to a district court order to compel arbitration under Article 23, which provided the contract remedy for a breach of Article 12. As the district court stated in its first omnibus order, "Tamiami Partner's Verified Complaint prays for the entry of a declaratory judgment, holding that the Tribe is bound by the Agreement's arbitration clause; and for an injunction compelling arbitration and enjoining the Tribe from taking any action to seize or assume control of the Enterprise pending arbitration." *Id.* at 568 n. 4. In short, the district court did not have a *National Farmers* case before it. Tamiami was not seeking an order enjoining the enforcement of an allegedly invalid tribal court judgment; thus, *National Farmers'* instruction that, when faced with a challenge to the validity of a tribal court judgment against a non-Indian, a district court must stay its hand to give the tribal court an opportunity to address the issue was inapplicable.

"to evict or otherwise impede Tamiami . . . from operating the gaming enterprise;" or (2) the Tribe failed to provide Tamiami "with two (2) business days' notice, prior to taking any action [ordered by the] Tribal Court." *Id.* at 567.

On July 3 and July 20, 1992, the Tribe denied two groups of license applications, seventeen in all, that had been submitted by Tamiami employees to the Tribal Gaming Agency the previous December. In the midst of these license denials, the Miccosukee Tribal Court, on July 16, issued its ruling in the tribal suit. After finding that it had jurisdiction to entertain "civil disputes between Indians . . . and non-Indians doing business on the Miccosukee Reservation" and that the parties were bound by the arbitration provisions of Article 12 of the Agreement, the Tribal Court directed the parties "to initiate arbitration proceedings in accordance with Articles 12 and 23 of the [Agreement]."[39] The Tribal Court retained jurisdiction, "pending the outcome of the required arbitration, to hear and determine the claims, if any, the Tribe has asserted under its civil governmental powers against [Tamiami] to the extent those claims are not the subject of arbitration under the Agreement."

---

39. By citing Article 23, "Waiver of Sovereign Immunity," in its order, the Tribal Court tacitly acknowledged that the Tribe had agreed to waive its sovereign immunity and submit to the jurisdiction of the United States District Court for the Southern District of Florida in an action brought by Tamiami to enforce any award that Tamiami might receive in the arbitration proceedings the Tribal Court had ordered.

Appendix J

On July 21, after the Gaming Agency had denied the second group of license applications, Tamiami returned to the district court and filed an "Emergency Motion for Order Enjoining Tribe from Exercising Self Help to Terminate Management Contract." *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians,* 803 F.Supp. 401, 403 (S.D.Fla.1992).[40] In its motion, Tamiami alleged that, under the pretext of issuing legitimate license denials, the Tribe had engaged in self-help to prevent Tamiami from operating MIB and effectively to terminate the Management Agreement. On July 24, the district court lifted its stay and issued a temporary injunction that "prohibited the Tribe from denying any additional license applications, pending the Court's review of the licensing process" that the Tribe had established pursuant to IGRA.[41] *Id.* at 405. On August 5, during a two-day evidentiary hearing before the district court, the Tribe filed in the Tribal Court a notice of compliance with that court's July 16 order compelling arbitration; the notice stated that the Tribe intended to proceed with arbitration.[42]

---

40. According to the district court, Tamiami did not receive notice of the Tribal Court's July 16, 1992 order in the tribal suit until July 23, 1992 — two days after it filed the emergency motion. *Id.* at 405 n. 9.

41. The district court found that Tamiami's "work force had been decimated and that the working environment for Tamiami['s] present and prospective employees offered little, if any, job security." *Id.* at 405.

42. The arbitration panel eventually convened on December 17, 1992.

Appendix J

On August 19, 1992, the district court issued its second omnibus order. The court found that the Tribe's licensing process was "arbitrary and capricious," *id.* at 407, but determined that Congress, in enacting IGRA, had made no provision for suits by management contractors, such as Tamiami, to challenge a tribe's licensing procedures. The court concluded, "Congress did not consider the interests of non-Indian parties who choose to invest in Indian gaming." *Id.* at 408.[43] Apparently drawing on Congress' failure to allow management contractors the right to mount a judicial challenge to a tribe's licensing decision, the court held that Tamiami could not challenge, in an arbitration proceeding, the Tribe's refusal to license its managers and key employees; the court therefore denied Tamiami's emergency motion for injunctive relief.

The district court's continued belief that it had jurisdiction to grant Tamiami protective relief against the Tribe's resort to self-help pending the outcome of the arbitration ordered by the Tribal Court is illustrated by the following passage:

> Tamiami Partners brought this action to enforce the arbitration provisions of the Management Agreement and to prevent the Tribe from taking any

---

43. The district court order stated that "[a]bsent a statutory grant of jurisdiction . . . [the court could not] declare unlawful a licensing process that, nevertheless, disturb[ed] its conscience." *Id.* We interpret the words "[a]bsent a statutory grant of jurisdiction" to mean absent the statutory grant, either explicitly or implicitly, of a right of action. *See Bell v. Hood,* 327 U.S. 678, 681, 66 S.Ct. 773, 775, 90 L.Ed. 939 (1946).

> action to seize or assume control of the gaming enterprise pending arbitration. Through its order compelling arbitration, the tribal court has granted Tamiami Partners part of the relief it sought from this Court. The protective relief sought by Tamiami Partners remains available through the Court's stay, rather than dismissal, of this action pending the outcome of arbitration.

Id. at 407 (footnotes omitted).

On August 21, Tamiami moved the district court for leave to file an amended complaint that sought two coercive orders: (1) an order compelling arbitration of the licensing dispute and (2) an injunction to prevent the Tribe from using the licensing process to frustrate Tamiami's operation of MIB. Assuming that its motion would be granted, Tamiami asked the court to issue these orders immediately in the form of a preliminary injunction. Before the court could respond to Tamiami's request, however, Hurricane Andrew struck south Florida, forcing the temporary closing of MIB and thereby providing a reprieve from the dispute between the parties.

On September 15, 1992, the district court denied Tamiami leave to amend its complaint and thus its request for a preliminary injunction. Two days later, Tamiami took interlocutory appeals from the district court's August 19 and September 15 orders. *See Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians,* 999 F.2d 503, 505 (11th Cir.1993).

Appendix J

While those interlocutory appeals were pending, the Tribe took several steps to oust Tamiami from the MIB enterprise. On April 13, 1993, the Tribal Gaming Agency denied licenses to Tamiami and to TDC as well as to two of its principle officers, Cye Mandel and John Sisto. At that time, the Gaming Agency also issued an order appointing a conservator to take control of MIB and to operate the facility. This order was "ratified and confirmed" the same day by the Tribal Court in its "Order in Aid of Enforcement of Tribal Gaming Agency's Order Appointing Conservator." Following the denial of the license applications and the entry of these orders, the Tribal police forced Mandel and Sisto to leave the MIB premises, the MIB accountant surrendered the MIB's financial records to Tribal officials, and the Tribe began the process of obtaining control of MIB's bank accounts.

Also on April 13, immediately after Tamiami had been ousted by the Tribe, Tamiami returned to district court seeking an injunctive order to prevent the Tribe from exercising self-help. On April 15, the court held an evidentiary hearing and issued its third omnibus order, holding that the Tribal Court had exceeded its jurisdiction in issuing the order ratifying the Gaming Agency's appointment of a conservator such that the order was null and void. The court also concluded that the Tribe had exceeded its sovereign powers in rejecting, through the Gaming Agency, the license applications of Tamiami, TDC, Mandel, and Sisto. The court viewed these rejections, although made under the guise of the Tribe's sovereign powers, as simply an attempt by the Tribe to circumvent the ongoing arbitration proceedings and to

terminate the Management Agreement. In sum, the court invalidated the Tribe's actions of April 13 and ordered the parties to return to the status quo ante of April 12.

The Tribe immediately requested that the district court certify its April 15 order under 28 U.S.C. § 1292(b) to allow the Tribe to appeal. The court certified the order, and, on the Tribe's application, we permitted the appeal. We thereafter consolidated the appeal with the two interlocutory appeals taken by Tamiami on September 17, 1992. At the same time, we stayed the district court's third omnibus order pending our disposition of these appeals.

On August 16, 1993, a panel of this court decided the three appeals. *Tamiami,* 999 F.2d 503.[44] Reviewing Tamiami's complaint, the panel held that, under the "well-pleaded complaint rule," Tamiami had failed to state a federal question within the meaning of 28 U.S.C. § 1331. *Id.* at 507. Instead, Tamiami's allegations established nothing more than the existence of a

---

44. The panel had jurisdiction to decide only two of the three appeals. In the first appeal, the court had jurisdiction to review the district court's August 19, 1992 omnibus order under 28 U.S.C. § 1292(a)(1) because the order denied Tamiami's application for injunctive relief. In the second appeal, the court had no jurisdiction to review the district court's September 15, 1992 order denying Tamiami leave to amend its complaint. We note that the panel's decision referred to Tamiami's proposed amended complaint, *id.* at 507; it did so, however, in addressing the question presented in the first appeal: whether the district court had subject matter jurisdiction to hear the case. As noted in the text, the court had jurisdiction over the third appeal under 28 U.S.C. § 1292(b).

contract dispute. *Id.* The court acknowledged that although "[t]he right to be protected against an unlawful exercise of tribal court judicial power [presented] a claim arising under federal law," Tamiami's complaint failed to assert such a right. *Id.* Although the panel did not elaborate further,[45] it observed that "events had occurred and evidence was in the record that suggested a basis for district court jurisdiction." *Id.* at 508. Accordingly, the panel reversed the district court's April 15 order, with the following instructions:

> Because we are now aware of facts which suggest that the district court could have [subject matter] jurisdiction if the case arose today, we remand the case to the district court with directions that the district court dismiss this action unless one of the present parties files a complaint or other pleading which properly alleges jurisdiction. If such a complaint or petition is filed within thirty days of the date of remand, the district court shall proceed to frame and determine the issues in the usual manner.

Id. In short, the panel invited Tamiami, or the Tribe, to bring a new suit.

---

45. We note, in passing, that it was not the panel's responsibility to search the record for federal questions; the responsibility belonged to the plaintiff. "Jurisdiction may not be sustained on a theory that the plaintiff has not advanced." *Merrell Dow Pharmaceuticals, Inc. v. Thompson,* 478 U.S. 804, 809 n. 6, 106 S.Ct. 3229, 3233 n. 6, 92 L.Ed.2d 650 (1986).

Appendix J

C.

On remand, Tamiami filed an amended complaint on September 14, 1993 — the pleading now before us. In addition to the Tribe, Tamiami named as defendants the tribal Business Council, the tribal Gaming Agency, the Tribal Court, and eight individual members of those tribal bodies. In essence, the amended complaint asserted the following bases of federal question jurisdiction: (1) the Tribe's purported termination of the Management Agreement violated IGRA; (2) the Tribe's denial of gaming licenses violated IGRA; (3) individual members of the Business Council and the Gaming Agency had acted outside their lawful authority; and (4) the Tribal Court had exceeded its jurisdiction. Tamiami sought the following declaratory and injunctive relief: First, Tamiami asked the district court to declare invalid the Tribal Court's April 13, 1993 order ratifying the Gaming Agency's appointment of a conservator and the Gaming Agency's refusal to license Tamiami, TDC, Mandel, and Sisto. Second, Tamiami asked the court to return the parties to the status quo as of April 12, 1993 — when Tamiami was still operating the gaming enterprise; to issue an injunction against the Tribe to prevent interference with Tamiami's management of the MIB gaming enterprise; and to issue an order forcing the Tribe to turn over Tamiami's forty percent share of the enterprise's net gaming revenues.

On September 15, one day after Tamiami filed its amended complaint and five days before a final hearing was to be held before the arbitration panel convened pursuant to the Tribal Court's order of July 16, 1992, the Tribe moved the Tribal Court

to stay the arbitration proceedings. The Tribe's asserted reason for seeking the stay was Tamiami's allegation in its amended complaint that the Tribal Court lacked jurisdiction over Tamiami because Tamiami is a non-Indian. If that allegation were true, the Tribe argued, then the Tribal Court had no authority to order the arbitration. On September 16, the Tribal Court granted the motion and stayed the arbitration proceedings pending further order.

On September 21, the arbitration panel, concluding that the Tribal Court had no jurisdiction to enforce the arbitration provisions of the Agreement and that the panel's authority derived from Article 12 of the Agreement, disregarded the Tribal Court's September 16 order and declined to postpone the final hearing in the matter, which took place as scheduled on September 23. The Tribe refused to participate in the final hearing, as did the Tribe's chosen arbitrator. On October 6, the arbitration panel handed down its decision,[46] finding in favor of Tamiami and against the Tribe on all claims. The arbitration panel gave the Tribe the choice of reinstating Tamiami to its position as manager of MIB or terminating the Agreement by paying Tamiami $9.5 million. The panel also awarded Tamiami fees and costs.

After the arbitration panel's decision, the Tribal Court entered two orders that collectively withdrew it from the controversy. On October 12, 1993, the court vacated its April 13 order, which had ratified the Gaming Agency's appointment of a conservator for MIB; then, on October 25, the court granted the Tribe's

---

46. Although the Tribe's chosen arbitrator did not participate in the final hearing on September 23, he did file a formal dissent to the panel's October 6 decision and award.

motion to dismiss the tribal suit. During this thirteen-day period the Tribal Court moved the district court to dismiss it from the case for want of a justiciable controversy. The Business Council, the Gaming Agency, and the individual defendants also moved for dismissal, contending not only that subject matter jurisdiction was lacking but also that the action was barred by the Tribe's sovereign immunity.

On October 26, the district court held a status conference and addressed a number of issues, including Tamiami's request for an order freezing the funds held in the MIB "reserve account." The court granted Tamiami's request and froze the funds.

D.

On February 28, 1994, the district court issued its order on the defendants' motions to dismiss — the order now before us. The court first addressed the Tribal Court's motion to dismiss and, observing that the Tribal Court was no longer exercising jurisdiction over the parties, dismissed as moot Tamiami's claims.

As for Tamiami's claims against the Tribe, the Business Council, the Gaming Agency, and the individual defendants, the court held that Tamiami's amended complaint raised a federal question — "namely, whether these defendants exceeded tribal powers in their actions towards [Tamiami]." The court then addressed whether, as the defendants contended, the Tribe's sovereign immunity barred the suit, and concluded that Tamiami's claims against the Tribe, the

Business Council, and the Gaming Agency were barred because the Tribe had not clearly waived its sovereign immunity and Congress had not abrogated such immunity from suits based on federal common law. Accordingly, the court dismissed with prejudice Tamiami's claims against the Tribal entities.

The individual defendants, however, were not shielded by the Tribe's sovereign immunity. Citing numerous cases applying the rationale of *Ex Parte Young* to Indian sovereign immunity, the court held that the individual defendants were subject to suit given Tamiami's allegation that they "have acted beyond the authority that the Tribe is capable of bestowing upon them under federal laws defining the sovereign powers of Indian tribes." *See Ex Parte Young*, 209 U.S. 123, 28 S.Ct. 441, 52 L.Ed. 714 (1908) (holding that a suit against an individual in his official governmental capacity — claiming that the individual is acting beyond his authority — is not a suit against the sovereign). Moreover, the court held that Tamiami was not required to exhaust its Tribal Court remedies against these defendants because Tamiami had alleged "bad faith" on the part of the individual defendants and, thus, had established an exception to the exhaustion rule under *National Farmers*.[47] Therefore, the court denied the individual defendants' motion to dismiss.[48]

---

47. *See infra* section II.B.

48. On March 16, the individual defendants answered Tamiami's amended complaint. Although their answer is not before us, we note in passing that, in addition to denying Tamiami's allegations of misconduct, these defendants alleged that they could

(Cont'd)

Appendix J

E.

On March 28, 1994, in No. 94-4403, Tamiami appealed the portion of the district court's February 28 order dismissing its suit against the Tribe, the Business Council, the Gaming Agency, and the Tribal Court. The following day, in No. 94-4405, the individual defendants appealed the portion of the February 28 order rejecting their claim of tribal sovereign immunity.

On April 29, in appeal No. 94-4403, we asked the parties to brief the question whether the portions of the district court's February 28 order being challenged were appealable because the order disposed of fewer than all of the claims in suit and thus did not appear to be a final judgment under 28 U.S.C. § 1291. Tamiami responded by moving the district court to enter final judgment pursuant to Fed.R.Civ.P. 54(b) on its claims against the Tribal entities. The court granted Tamiami's motion and on May 19 entered final judgment as to those claims. On May 20, in No. 94-4578, Tamiami appealed that final judgment; this appeal supersedes the appeal in No. 94-4403, which we dismiss for want of

---

(Cont'd)

not be held liable as "individual officials acting outside the scope of their authority, because the [amended] complaint in fact and in substance pleads only matters against the Tribe and tribal entities." This statement is false; the amended complaint contains numerous allegations of misconduct on the part of the individual defendants.

Furthermore, the individual defendants' answer acknowledged that "Miccosukee law always required adherence to applicable federal law." It is not clear what these defendants intended to convey through this statement.

jurisdiction. Pending before this court, therefore, are the appeals in Nos. 94-4405 and 94-4578, which we have consolidated.[49]

III.

A.

Before we consider whether Tamiami's amended complaint presents a claim for relief against any of the defendants in this case, we must first address a threshold question: whether the district court had subject matter jurisdiction to entertain any of Tamiami's claims as those claims stood on February 28, 1994, the day the district court dismissed them. At that time, there were live controversies between Tamiami and, respectively, the Tribe, the Business Council, the Gaming Agency, and the individual defendants.[50] We briefly describe these claims.[51]

---

49. On March 29, the individual defendants moved the district court to stay further proceedings pending the disposition of these appeals. On March 31, the court granted the stay. In the same order, the court reaffirmed its October 27, 1993 order freezing the MIB reserve account but rejected Tamiami's request for a preliminary injunction directing the individual defendants to reinstate Tamiami as manager of MIB. The March 31 order has not been appealed.

50. Tamiami's claims against the Tribal Court were moot because, as the district court observed in its February 28 order dismissing the Tribal Court from the suit, the Tribal Court was no longer exercising jurisdiction over the parties.

51. Tamiami's amended complaint is a quintessential shotgun pleading, replete with vague and cursory allegations. The claims we describe in the text are gleaned from a fair reading of the amended complaint.

Appendix J

Tamiami's first claim is a breach of contract claim against the Tribe. Tamiami contends that the Tribe, operating through its Business Council and the Gaming Agency, has breached the Management Agreement by ousting Tamiami from the MIB premises and taking control of the gaming enterprise.[52] Tamiami seeks an injunction restoring its position as the MIB operator[53] and requiring the Tribe to give Tamiami its forty percent share of MIB's net gaming revenues.[54]

Tamiami's second claim is brought under IGRA and the NIGC's regulations against the Tribe and the Gaming Agency. Tamiami contends that the Tribe, through its Gaming Agency, has abused the licensing authority conferred by the statute and the regulations by refusing to license Tamiami, TDC, Mandel, and Sisto. Tamiami seeks an order declaring such an abuse of authority and enjoining the Gaming Agency to issue the requested licenses.[55] Although

---

52. The Business Council, whose members also serve as the members of the Gaming Agency, handles the Tribe's business affairs.

53. An order restoring Tamiami as the MIB operator would, in effect, restore the status quo as of April 12, 1993, a form of relief specifically requested in Tamiami's amended complaint.

54. The Business Council and the Gaming Agency are not parties to the Management Agreement. Accordingly, we do not read Tamiami's allegations as seeking relief against these tribal entities for the Tribe's breach of the Agreement. Any relief granted against these tribal entities, therefore, would be purely ancillary, in aid of the district court's jurisdiction to litigate to final judgment Tamiami's breach of contract claim against the Tribe.

55. We do not read Tamiami's amended complaint as asserting that the Tribe, through the Business Council, abused its licensing authority.

IGRA does not expressly provide a right of action for such relief, Tamiami contends that such a right of action is implicit under IGRA's regulatory scheme.[56]

Tamiami's third and final claim is brought under IGRA and the NIGC's regulations against the individual defendants collectively as members of both the Business Council and the Gaming Agency.[57] Tamiami contends that these individual tribal members are executing the Tribe's plan to assume permanent control of the gaming enterprise by refusing to license Tamiami's managers and key personnel and that, as a result, these individuals are subject to suit under IGRA in the district court.[58] Tamiami seeks an injunction

---

56. We presume that Tamiami does so because it could have no statutory claim unless this right of action is implied in IGRA.

57. In its amended complaint, Tamiami included as individual defendants two Tribal Court judges and the conservator for MIB appointed by the Gaming Agency on April 13, 1993. Because Tamiami's claims against the Tribal Court are moot, its claims against its judges also are moot. Accordingly, we declare appeal No. 94-4405 moot as to them. Because the Tribal Court vacated the conservator's appointment, thus mooting Tamiami's claim against him, the district court properly dismissed him from the case on October 26, 1993. The individual defendants remaining in appeal No. 94-4405 are, therefore, the members of the Business Council and the Gaming Agency.

58. Tamiami has pointed to nothing in IGRA's language that would give it the right to bring this claim against the individual defendants. *See Davids v. Coyhis*, 869 F.Supp. 1401, 1410 (E.D.Wis.1994) ("Even assuming that the defendants acted in

(Cont'd)

ordering these defendants to grant the licenses at issue, to restore Tamiami to the MIB premises, and to turn over Tamiami's share of the net gaming revenues.

As explained below, each of Tamiami's claims, as we have cast them, "aris[es] under the . . . laws . . . of the United States," 28 U.S.C. § 1331. We first consider Tamiami's claim that the Tribe, operating through its Business Council and the Gaming Agency, has breached the Management Agreement. The Agreement incorporates — by operation of law if not by reference — the provisions of IGRA and the NIGC's regulations that govern MIB's operations.[59] Among the incorporated

---

(Cont'd)
violation of the IGRA and therefore outside the scope of their authority, plaintiffs cannot sue the defendants for violations of the IGRA unless such a cause of action is implicit in the IGRA."). We treat Tamiami as contending that IGRA has provided by implication this cause of action because Tamiami would have no claim otherwise. *See supra* note 56; *infra* note 72.

59. The Agreement states in paragraph sixteen thereof that "all gaming under this Agreement shall be conducted in accordance with . . . [IGRA]." The parties obviously inserted this provision into their contract in recognition of the fact that Congress, by enacting IGRA, has "expressly preempt[ed] the field in the governance of gaming activities on Indian lands," S.Rep. No. 446, 100th Cong., 2d Sess. 6 (1988), *reprinted in* 1988 U.S.C.C.A.N. 3071, 3076. In addition, § 2713(d) states that "[n]othing in [IGRA] precludes an Indian tribe from exercising regulatory authority provided under tribal law over a gaming establishment within the Indian tribe's jurisdiction if such regulation is not inconsistent with [IGRA] or with any rules or regulations adopted by the Commission." Accordingly, the parties were required to comply with IGRA's provisions and the Commission's regulations.

provisions are those relating to the Tribe's licensing of the managers and key employees designated by Tamiami from time to time to operate the gaming facility.[60] According to Tamiami, such provisions impose upon the Tribe the obligation to process the applications of Tamiami's managers and key employees in good faith. The gravamen of Tamiami's contract claim is that the Tribe, acting through the Gaming Agency, has failed to act in good faith; instead, the Gaming Agency, abusing its licensing authority, has rejected these applications for the sole purpose of taking over the gaming facility. Tamiami's claims that the Tribe has an obligation under IGRA and the NIGC's regulations — which the Agreement incorporates — to process an application for a license in good faith and that the Tribe has breached that obligation are claims arising under federal law; hence the district court had subject matter jurisdiction over Tamiami's breach of contract claim against the Tribe.[61]

It is also clear that the district court had subject matter jurisdiction over Tamiami's second and third claims, which are based directly on IGRA and the NIGC's regulations. That, as we conclude in subsection III.B.1.b. *infra*, IGRA does not provide — either expressly or impliedly — the cause of action Tamiami alleges in its second claim did not defeat the district

---

60. Tamiami's amended complaint alleges that the Tribe has purposefully circumvented the requirements of § 2710(c) of IGRA, incorporated in the Agreement, that relate to licensing procedures in order to oust Tamiami from the MIB facility and thereby terminate the Agreement.

61. As we discuss in subsection III.B.1.a. *infra*, however, Tamiami cannot maintain its breach of contract claim in the face of the Tribe's plea of sovereign immunity.

court's jurisdiction under 28 U.S.C. § 1331 "[f]or it is well settled that the failure to state a proper cause of action calls for a judgment on the merits and not for a dismissal for want of jurisdiction." *Bell v. Hood*, 327 U.S. 678, 682, 66 S.Ct. 773, 776, 90 L.Ed. 939 (1946).[62]

B.

Having concluded that the district court had subject matter jurisdiction over Tamiami's claims, we turn to the question posed by appeal No. 94-4578: whether the district court properly dismissed Tamiami's claims against the Tribe.[63] We then consider appeal No. 94-4405 brought by the individual defendants, the members of both the Business Council and the Gaming Agency, challenging the district court's ruling that they are not shielded from suit by the Tribe's sovereign immunity.[64]

---

62. Tamiami's IGRA claims are not "immaterial and made solely for the purpose of obtaining jurisdiction"; nor are they "wholly insubstantial and frivolous." *Bell*, 327 U.S. at 682-83, 66 S.Ct. at 776.

63. As noted in section II.D. *supra*, the district court also dismissed Tamiami's claims against the Business Council and the Gaming Agency. We treat the claims against those entities and the claims against the Tribe as one and the same.

64. We do not consider the case of the defendant members of the Tribal Court because the case against them is moot. *See supra* note 57.

Appendix J

1.

The district court dismissed all of Tamiami's claims against the Tribe on the ground of sovereign immunity. We agree that the doctrine of sovereign immunity bars Tamiami's first claim for breach of contract. We do not agree, however, that the doctrine bars Tamiami's second claim alleging violations of IGRA and the NIGC's regulations. We dispose of that claim on the separate ground that, because IGRA provides Tamiami no right of action, Tamiami has failed to state a claim for relief.

a.

Tamiami's breach of contract claim is barred by the doctrine of sovereign immunity unless the Tribe, by the very act of entering into the Management Agreement and engaging in the gaming enterprise, waived its immunity from suit by Tamiami or Congress, by enacting IGRA, abrogated that immunity. *See Oklahoma Tax Comm'n v. Citizen Band Potawatomi Indian Tribe*, 498 U.S. 505, 509, 111 S.Ct. 905, 909, 112 L.Ed.2d 1112 (1991) ("Suits against Indian tribes are thus barred by sovereign immunity absent a clear waiver by the tribe or congressional abrogation."). Nothing in IGRA indicates that Congress abrogated the sovereign immunity of tribes that elect to engage in class II gaming; therefore, IGRA provides Tamiami no comfort. This is not to say, however, that Congress foreclosed the possibility that a management contractor might be able to sue a tribe for breach of a management agreement. Indeed, Congress contemplated that disputes between the tribe and its management contractor might arise and that the management contractor, in negotiating the parties' agreement, would insist on the tribe's waiver of its sovereign

immunity so that disputes could be settled in a neutral forum rather than in a tribal court. Accordingly, Congress mandated that every management contract contain "grounds and mechanisms for terminating such contract," 25 U.S.C. § 2711(b)(6); the Commission's regulation implementing this provision requires that the contract "[c]ontain a mechanism to resolve disputes between . . . [t]he management contractor and the tribe." 25 C.F.R. § 531.1(k)(2).

In the instant case, the parties agreed, in Article 12 of the Management Agreement, that "[a]ll disputes, controversies and/or claims arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration, as set forth in this Article 12." To provide an effective means of enforcing this arbitration provision, the parties agreed in Article 23 that the Tribe would waive its sovereign immunity and permit Tamiami to bring an action in the United States District Court for the Southern District of Florida to compel the Tribe to arbitrate and to enforce any resulting award.[65]

---

65. Article 12 also provides that an "[arbitration] award . . . may be entered in and shall be specifically enforceable in any court of competent jurisdiction." Because the Tribe has limited its waiver of sovereign immunity under Article 23 to suits brought against it in the Southern District of Florida, it is apparent that a suit by Tamiami against the Tribe will not lie "in any court of competent jurisdiction" except the Southern District of Florida. The parties seemed to have agreed, however, under Article 12, that the Tribe could waive its sovereign immunity and enforce an arbitration award in any court of competent jurisdiction — for example, in the Circuit Court of Dade County, Florida.

Tamiami's first claim, however, is simply a breach of contract claim for which it seeks money damages and injunctive relief; Tamiami does not seek arbitration of the dispute at hand or the enforcement of an arbitration award, the type of relief contemplated by Article 23.[66] In sum, because the Article 23 waiver does not embrace Tamiami's first claim, the district court properly dismissed it.[67]

b.

Tamiami's second claim — that the Tribe, operating through its Gaming Agency, has refused to issue licenses in violation of the statute and regulations — fails because IGRA provides it no right to relief. This result should come as no surprise; as the Supreme Court has observed, "the fact that a federal statute has been violated and some person harmed does not automatically give rise to a private cause of action in favor of that person." *Touche Ross & Co. v. Redington,* 442 U.S. 560, 568, 99 S.Ct. 2479, 2485, 61 L.Ed.2d 82 (1979) (citation and internal quotations omitted).

---

66. Tamiami's original complaint sought an order compelling the Tribe to submit to arbitration; its amended complaint, however, does not seek that relief. Tamiami remains free, of course, to seek enforcement in the district court of the October 6, 1993 arbitration award and to seek an order in the district court compelling arbitration of any remaining contract disputes.

67. Tamiami's amended complaint effectively concedes this point in stating that "the parties selected binding arbitration as the *exclusive* forum for the resolution of all disputes arising out of or relating to the Agreement." (Emphasis added).

As an initial matter, we find nothing in IGRA's language that would give a management contractor the express right to compel an Indian tribe to license the employees the contractor designates to operate the gaming facility. The only express right of action Congress gave management contractors is the right to seek judicial review in district court, under the Administrative Procedure Act, of some *Commission* decisions that adversely affect the contractor.[68]

Furthermore, after examining the IGRA regulatory scheme, we find nothing in the statute's language, or in the legislative history, to indicate that Congress implied the right of action Tamiami presents as its second claim for relief. Congress, however, did provide *other* private rights of action and did so explicitly. *See id.* at 572, 99 S.Ct. at 2487 ("Obviously, then, when Congress wished to provide a private . . . remedy, it knew how to do so and did so expressly."). In addition to giving management contractors the right to challenge some Commission decisions, as indicated above, Congress provided express rights of action for other aggrieved parties. For instance, section 2711 of the statute, the very section authorizing and providing for Commission approval of management contracts, states that "[t]he Indian tribe may bring an action in a United States district court to compel action by the Chairman [of the NIGC] if a contract

---

68. As we relate in section I.E. *supra,* a management contractor may seek district court review of "[a] decision of the Commission to give final approval of a fine levied by the Chairman or to order a permanent closure . . . ." 25 U.S.C. § 2713(c). Furthermore, if the management contractor has standing under the Administrative Procedure Act (an issue that we do not decide here), it might seek district court review if the Commission were to disapprove of a new or existing management contract. *Id.* § 2714; *see infra* section I.D.

has not been approved or disapproved within the period required by this subsection."[69] In addition, section 2714 expansively provides that "[d]ecisions made by the Commission pursuant to sections 2710 ["Tribal gaming ordinances"], 2711 ["Management contracts"], 2712 ["Review of existing ordinances and contracts"], and 2713 ["Civil penalties"] of this title shall be final agency decisions for purposes of appeal to the appropriate Federal district court" under the Administrative Procedure Act.[70] In the face of these express rights of action, we adhere to "[a] frequently stated principle of statutory construction[:] when legislation expressly provides a particular remedy or remedies, courts should not expand the coverage of the statute to subsume other remedies." *National R.R. Passenger Corp. v. Nat'l Assoc. of R.R. Passengers,* 414 U.S. 453, 458, 94 S.Ct. 690, 693, 38 L.Ed.2d 646 (1974). Accordingly, we decline Tamiami's invitation to read into IGRA the right of action Tamiami asserts as its second claim.

2.

Having disposed of appeal No. 94-4578, we now turn to No. 94-4405, the interlocutory appeal brought by the members of the Tribe's Business Council and Gaming Agency. As noted in section II.E. *supra,* this appeal challenges the portion of the district court's February 28, 1994 order rejecting the tribal officers' claim of tribal sovereign immunity and denying their motion to dismiss the suit as to the claims against them.

---

69. *See infra* section I.D.

70. *See infra* subsection I.C.3., sections I.D. & I.E.

Tamiami seeks injunctive relief against these defendants in their official capacities in the form of an order requiring them to comply with the provisions of IGRA and the NIGC regulations relating to the licensing of the employees whom the management contractor has selected to operate the MIB facility.[71] According to Tamiami, the individual defendants have wilfully disregarded these provisions and have refused to license these employees in furtherance of the Tribe's scheme to take over the gaming enterprise.

The question this appeal presents is whether the district court properly applied the *Ex Parte Young* doctrine in refusing to dismiss the tribal officers. Before addressing this question, however, we must decide whether the district court's denial of immunity is appealable under the *Cohen* collateral order doctrine. We hold that it is.

a.

To be immediately appealable under *Cohen,* the order at issue must: "(i) 'conclusively determine the disputed question,' (ii) 'resolve an important issue completely separate from the merits of the action,' and (iii) 'be effectively unreviewable on appeal from a final judgment.' " *Swint v. City of Wadley,* 51 F.3d 988, 1002 (11th Cir.1995) (quoting *Richardson-Merrell, Inc. v. Koller,* 472 U.S. 424, 431, 105 S.Ct. 2757, 2761, 86 L.Ed.2d 340 (1985)). In *Mitchell v. Forsyth,* 472 U.S. 511, 525, 105 S.Ct. 2806, 2814-15, 86 L.Ed.2d 411

---

71. *See infra* subsection I.C.2.

(1985), decided two days after *Richardson-Merrell,* the Supreme Court treated the third of these elements as the predominant one. "In discussing [the third *Cohen* factor], the Supreme Court emphasized that qualified immunity is an '*immunity from suit* rather than a mere defense to liability' and is 'effectively lost if a case is erroneously permitted to go to trial.' " *Griesel v. Hamlin,* 963 F.2d 338, 340 (11th Cir.1992) (per curiam) (quoting *Mitchell,* 472 U.S. at 526, 105 S.Ct. at 2815).

In *Griesel,* this court, following *Mitchell*'s guidance, posed the question "whether the state sovereign immunity under Georgia law is an immunity from suit rather than simply a defense to substantive liability." 963 F.2d at 340. After examining Georgia law, we concluded that "*a suit cannot be maintained* against the State without its consent." *Id.* Thus, we applied the collateral order doctrine and found jurisdiction. Likewise, to determine whether we have jurisdiction to entertain the tribal officers' appeal, we must ask a straightforward question: Does tribal sovereign immunity under federal law provide immunity from suit or is it merely a defense to liability? The Supreme Court has unequivocally answered this question, having held that, absent explicit congressional abrogation or a tribal waiver, tribal sovereign immunity provides an Indian tribe with immunity from suit. *Santa Clara Pueblo v. Martinez,* 436 U.S. 49, 58, 98 S.Ct. 1670, 1677, 56 L.Ed.2d 106 (1978). Tribal sovereign immunity would be rendered meaningless if a suit against a tribe asserting its immunity were allowed to proceed to trial. Thus, under the *Mitchell* and *Griesel* analysis, the collateral order doctrine of *Cohen* is satisfied, and we have jurisdiction to entertain the tribal

officers' appeal. *See Seminole Tribe v. Florida*, 11 F.3d 1016, 1021 (11th Cir.1994) ("Our jurisdiction . . . arises from the district court's *denial* of defendants' motion to dismiss based on sovereign immunity; such a denial grants defendants the right of an immediate interlocutory appeal."), *cert. granted*, __ U.S. __, 115 S.Ct. 932, 130 L.Ed.2d 878 (1995).

b.

Having determined that we have jurisdiction to hear the tribal officers' appeal, we consider the district court's refusal to dismiss them from this suit. The district court rejected the tribal officers' claim of immunity under the doctrine of *Ex Parte Young*, 209 U.S. 123, 28 S.Ct. 441, 52 L.Ed. 714 (1908). *See supra* section I.D. That doctrine, as the district court properly concluded, applies in suits brought against tribal authorities in their official capacities. *Santa Clara Pueblo*, 436 U.S. at 59, 98 S.Ct. at 1677; *see also Puyallup Tribe, Inc. v. Department of Game*, 433 U.S. 165, 173, 97 S.Ct. 2616, 2621, 53 L.Ed.2d 667 (1977) ("[T]he [tribe's] successful assertion of tribal sovereign immunity in this case does not impair the authority of the state court to adjudicate the rights of the individual defendants over whom it properly obtained personal jurisdiction."); *Northern States Power Co. v. Prairie Island Mdewakanton Sioux Indian Community*, 991 F.2d 458, 460 (8th Cir.1993) ("*Ex Parte Young* applies to the sovereign immunity of Indian tribes, just as it does to state sovereign immunity."); *United States v. James*, 980 F.2d 1314, 1319 (9th Cir.1992) ("Tribal immunity does not extend to the individual members of the tribe."), *cert. denied*, __ U.S. __, 114 S.Ct. 119, 126 L.Ed.2d 84 (1993).

Accordingly, we affirm the district court's ruling that the individual defendants are not shielded by the Tribe's sovereign immunity.[72]

IV.

In conclusion, we DISMISS appeal No. 94-4403 for want of jurisdiction. In appeal No. 94-4578, we AFFIRM the district court's dismissal of Tamiami's claims against the Tribe, the Business Council, the Gaming Agency, and the Tribal Court. In appeal No. 94-4405, we AFFIRM the district court's order denying the individual defendants' motion to dismiss on grounds of sovereign immunity.

IT IS SO ORDERED.

---

72. We do not reach the question whether, despite the individual defendants' amenability to suit, Tamiami can state a claim for relief against them. We have determined, in subsection III.B.1.b., that IGRA provides no right of action for Tamiami's suit against the Tribe. We note that the district court must answer a similar question with respect to Tamiami's claims against the tribal officers: If, as Tamiami argues, the tribal officers have violated the authority the Tribe is capable of granting them, can a cause of action against those officers be found, either implicitly or explicitly, in IGRA? *See infra* note 58.

APPENDIX K — ORDER OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA ON DEFENDANTS' MOTIONS TO DISMISS DATED, DECIDED AND FILED FEBRUARY 28, 1994

TAMIAMI PARTNERS, LTD. by and through its general partner TAMIAMI DEVELOPMENT CORPORATION,

Plaintiff,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA, BUSINESS COUNCIL OF MICCOSUKEE TRIBE OF INDIANS OF FLORIDA, MICCOSUKEE TRIBAL GAMING AGENCY, MICCOSUKEE TRIBAL COURT, BILLY CYPRESS, JASPER NELSON, JIMMIE BERT, MAX BILLIE, HENRY BERT, ANDY BUSTER, and MINNIE BERT,

Defendants.

CASE NO. 92-0489-CIV-HIGHSMITH

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA

* * *

February 28, 1994, Decided

February 28, 1994, FILED

* * *

Appendix K

ORDER ON DEFENDANTS' MOTIONS TO DISMISS

THIS CAUSE came before the Court upon the following motions:

(1) Defendant Miccosukee Tribal Court's motion to dismiss the amended complaint; and

(2) Motion of Defendants Miccosukee Tribe of Indians of Florida, Miccosukee Business Council, Miccosukee Tribal Gaming Agency, Billy Cypress, Jasper Nelson, Jimmie Bert, Max Billie, Henry Bert, Andy Buster, and Minnie Bert to dismiss the amended complaint.

For the reasons stated below, the Court grants the Miccosukee Tribal Court's motion to dismiss, and grants in part and denies in part the remaining defendants' motion to dismiss, as follows: the Court grants the motion as to Defendants Miccosukee Tribe of Indians of Florida, Miccosukee Business Council, and Miccosukee Tribal Gaming Agency; the Court denies the motion as to Defendants Billy Cypress, Jasper Nelson, Jimmie Bert, Max Billie, Henry Bert, Andy Buster, and Minnie Bert.

PROCEDURAL AND FACTUAL BACKGROUND

On February 27, 1992, Plaintiff Tamiami Partners, Ltd. ("TPL"), a non-Indian entity, commenced this action with the filing of a verified complaint for equitable relief against the Miccosukee Tribe of Indians of Florida ("Tribe"). In 1989, the Tribe and TPL's predecessor in interest, Tamiami Development Corporation, had entered into a management

agreement for the operation of a bingo gaming facility, in accordance with the provisions of the Indian Gaming Regulatory Act ("IGRA"), *25 U.S.C. § 2701*, et seq. IGRA permits federally recognized Indian tribes, such as the Miccosukee Tribe, to establish gaming activities on their lands. *25 U.S.C.A. § 2710* (West Supp. Pamphlet 1993). The law also permits tribes to enter into management contracts for the operation of bingo and similar games. *25 U.S.C.A. § 2711* (West Supp. Pamphlet 1993).

Pursuant to these legislative provisions and the terms of the management agreement, Tamiami Development Corporation acquired a tract of land for the purpose of building a gaming hall and deeded such land to the United States in trust for the Tribe. At the time of the commencement of this action, TPL was operating the bingo gaming facility, known as Miccosukee Indian Bingo, which was built on the deeded land. The management agreement between TPL and the Tribe includes an arbitration provision for the settling of disputes and controversies arising from the agreement. In a separate provision of the agreement, the Tribe has consented to suit in the United States District Court for the Southern District of Florida, by waiving its sovereign immunity for the purpose of enforcing the terms of the agreement, should the Tribe fail to participate in arbitration or fail to abide by the terms of an arbitration award.

Notwithstanding these contract provisions, on January 28, 1992, the Tribe notified TPL that the management agreement would terminate in thirty days. In addition, on February 26, 1992, the Tribe filed a Statement of Claim in the Miccosukee Tribal Court, seeking declaratory and

injunctive relief in the form of an order declaring that the management agreement was terminated; directing the Tribe to assume control of the bingo operation; enjoining TPL from interfering with such assumption; and directing the tribal police to enforce the order. (Statement of Claim, Miccosukee Tribe of Indians of Florida v. Tamiami Partners, Ltd., Case No. CV. 92-07 (Miccosukee Court)). In the verified complaint filed before this Court, TPL sought a declaratory judgment that the Tribe was bound by the arbitration provisions of the management agreement. TPL also sought preliminary and injunctive relief ordering the Tribe to arbitrate and preventing the Tribe from assuming control of the bingo operation during the pendency of the arbitration proceedings.

Act I

From the outset, this action has been punctuated by emergency requests for relief from TPL. At the beginning of the litigation, TPL sought the immediate issuance of a preliminary injunction compelling arbitration and preventing the Tribe from impeding TPL's operation of the bingo games. On Friday, February 28, 1992, after conducting an emergency hearing, the Court issued a temporary restraining order maintaining the status quo. The following Monday, March 2, 1992, the Court resumed the emergency hearing. On March 5, 1992, the Court issued the first of three omnibus orders.

In that order, the Court addressed the issue of its jurisdiction over the action, which TPL had invoked in the verified complaint merely by referring to the federal question jurisdiction statute, *28 U.S.C. § 1331*. Because the Statement

of Claim filed in tribal court had been appended to TPL's verified complaint, the Court was cognizant of the pending tribal court action, and of the fact that such action was almost a mirror image of the one before the Court. Relying on *National Farmers Union Ins. Co. v. Crow Tribe of Indians, 471 U.S. 845, 85 L. Ed. 2d 818 105 S. Ct. 2447 (1985),* the Court determined that the case before it presented a federal common law question; namely, the exercise of tribal court judicial power over non-Indians. The Court, however, chose to abstain from exercising such federal question jurisdiction by applying the doctrine of exhaustion of tribal remedies, as articulated in *Iowa Mut. Ins. v. LaPlante, 480 U.S. 9, 94 L. Ed. 2d 10, 107 S. Ct. 971 (1987).* Accordingly, the Court vacated the March 2, 1992 temporary restraining order; denied TPL's motion for preliminary injunctive relief; and stayed the action pending the occurrence of any of the following three events: exhaustion of tribal remedies; exercise of self-help on the part of the Tribe to take over the bingo operation; or failure on the part of the Tribe to provide two business days' notice prior to taking any action pursuant to an order of the tribal court.

Act II

After the stay had been in effect for a little over four months, TPL returned before this Court on July 21, 1992, again seeking emergency injunctive relief. This time, TPL sought an order enjoining the Tribe from exercising self-help to terminate the management agreement. The basis for TPL's request was the sudden, mass denials of license applications submitted by TPL employees pursuant to the Tribe's licensing requirements.

Appendix K

On Friday, July 24, 1992, after conducting an emergency hearing, the Court lifted the stay of the action and granted TPL temporary injunctive relief pending its review of the licensing process. For purposes of this review, the Court held evidentiary hearings on August 4 and 5, 1992. Shortly thereafter, on August 19, 1992, the Court issued its second omnibus order.

In that order, the Court determined that the Tribe's licensing process was arbitrary and capricious. Nevertheless, after conducting a thorough review of the Indian Gaming Regulatory Act, under whose provisions the Tribe had enacted its licensing ordinance, the Court found no statutory grant of jurisdiction to review the licensing process undertaken by the Tribe. Additionally, the Court considered the Tribe's sovereign immunity from suit in the conduct of a governmental function such as licensing, in light of the United States Supreme Court's pronouncements in *Merrion v. Jicarilla Apache Tribe, 455 U.S. 130, 71 L. Ed. 2d 21, 102 S. Ct. 894 (1982)* and *Oklahoma Tax Comm'n v. Citizen Band Potawatomi Indian Tribe of Oklahoma, 498 U.S. 505, 111 S. Ct. 905, 112 L. Ed. 2d 1112 (1991)*. The Court found that the Tribe's narrow waiver of sovereign immunity contained in the management agreement did not extend to the licensing process. The Court concluded, therefore, that it lacked jurisdiction to grant the relief sought by TPL. Accordingly, the Court reinstated the stay of the action under the same terms that had been imposed in the first omnibus order.

Around the time of TPL's second request for federal court relief, the Miccosukee Tribal Court issued a ruling in the parallel case. In an order dated July 16, 1992 (a copy of which TPL

filed with the Court immediately upon receipt on July 23, 1992), the tribal court determined that it had jurisdiction over the dispute between TPL and the Tribe, directed the parties to initiate arbitration proceedings pursuant to the management agreement's arbitration clause, and retained jurisdiction over the action, pending the outcome of the arbitration proceedings.[1] On August 5, 1992, the Tribe filed a notice of compliance with the tribal court order and announced its intention to commence arbitration. In conformance with the tribal court order, TPL and the Tribe engaged in protracted arbitration proceedings.[2]

Notwithstanding the initiation of arbitration proceedings, on Friday, August 21, 1992, TPL sought leave from the Court to file a supplemental complaint. TPL's proposed supplemental complaint, also filed on August 21, 1992, sought an order requiring arbitration of the licensing dispute and enjoining the Tribe from utilizing the licensing process to impede TPL from operating the bingo games. Along with the motion seeking leave to supplement the complaint, TPL filed an emergency motion for a preliminary injunction granting the relief sought in the supplemental complaint. On this occasion, however, the Court was not available to entertain TPL's emergency request.

---

1. The tribal court's memorandum opinion articulating its rationale for these rulings was issued on August 7, 1992. Miccosukee Tribe of Indians of Florida v. Tamiami Partners, Ltd., Case No. CV. 92-07 (Miccosukee Court, Aug. 7, 1992).

2. The proceedings culminated with an October 6, 1993 award and decision in favor of TPL issued by the TPL and neutral arbitrators, with the arbitrator appointed by the Tribe dissenting. The Court has not been informed of any further developments in this regard.

Appendix K

On Sunday, August 23, 1992, Hurricane Andrew struck South Florida. The destruction wreaked by the storm not only disrupted the Court's calendar, it also caused the temporary closing of the bingo games, thereby forcing a short-lived truce in the dispute between TPL and the Tribe. After a return to business, on September 15, 1992, the Court denied TPL's motion for leave to supplement the complaint and denied TPL's emergency motion for preliminary injunction. On September 17, 1992, TPL filed an interlocutory appeal of the Court's ruling in the second omnibus order and the Court's denial of the motion for leave to supplement the complaint and the emergency motion for preliminary injunction.

Act III

After a lull in the proceedings, TPL returned before the Court on April 13, 1993, seeking an emergency order enjoining the Tribe from exercising self-help. TPL's request was prompted by the following actions on the part of the Tribe and its instrumentalities, all of which had occurred on that same day: the Tribe's denial of the gaming license applications submitted by TPL and by its principals, Cye Mandel and John Sisto; the Miccosukee Tribal Gaming Agency's issuance of an order appointing Kenneth Welt as conservator of the bingo operation and directing him to take control of the same; and the Miccosukee Tribal Court's issuance of an order in aid of enforcement of the gaming agency's order. Pursuant to these decrees, the Tribe immediately ordered Mandel and Sisto to leave the bingo hall; ordered the Miccosukee Indian Bingo accountant to turn

over the bingo operation records to the conservator; and sought control of the bingo operation's bank accounts.[3]

At the conclusion of an emergency hearing held on April 15, 1993, the Court issued its third omnibus order, finding that the tribal court had exceeded its jurisdiction when it issued the order appointing the conservator, thereby rendering said order null and void.[4] The Court also found that the Tribe's licensing denials had been effected under the guise of its sovereign powers to, for all practical purposes, abrogate the management agreement which was still the subject of arbitration proceedings. The Court, therefore, declared all actions taken by the Tribe and its instrumentalities null and void; and ordered the parties to return to the status quo as it existed on April 12, 1993 and to preserve such status during the pendency of the ongoing arbitration proceedings. Pursuant to the Court's certification under *28 U.S.C. § 1292(b)*, the Tribe and the conservator immediately filed interlocutory appeals.[5]

---

3. The Tribe had to obtain a state court order requiring the bank to turn over the accounts before gaining control of the funds.

4. Although the tribal court order was entitled "Order in Aid of Enforcement of Tribal Gaming Agency's Order Appointing Conservator," the order stated, inter alia, "It is the intent of this Court in appointing a Conservator to fulfill the obligations of the Tribe under the Indian Gaming Regulatory Act and tribal law, as well as to preserve and protect [Miccosukee Indian Bingo] as an ongoing business operation." In re Conservatorship for Miccosukee Indian Bingo, Case No. CV. 93-11 (Miccosukee Court, Apr. 13, 1993).

5. Upon the Tribe's refusal to comply with the Court's April 15, 1993 order, the Court found the Tribe in civil contempt after a

(Cont'd)

Appendix K

Intermission: The Appeal

On April 21, 1993, the Eleventh Circuit consolidated the three pending appeals in this action and prescribed an expedited briefing schedule. On August 16, 1993, the Eleventh Circuit issued its opinion on the consolidated appeals, reversing the undersigned's orders for lack of subject matter jurisdiction under the well-pleaded complaint rule. *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians of Florida, 999 F.2d 503, 508-09 (11th Cir. 1993).* "According to the well-pleaded complaint rule, federal jurisdiction exists only when a federal question is presented on the face of the plaintiff's properly pleaded complaint." *Tamiami Partners, 999 F.2d at 507* (citations omitted).

In the view of the Eleventh Circuit, "Under *28 U.S.C. § 1331,* the district court only had subject matter jurisdiction to hear challenges to the tribal court's jurisdiction after a full opportunity for tribal court determination of jurisdictional questions." *Id. at 508* (citing *National Farmers Union Ins. Co. v. Crow Tribe of Indians, 471 U.S. 845, 856-57, 85 L. Ed. 2d 818, 105 S. Ct. 2447 (1985)).*[6] After

---

(Cont'd)
hearing held on April 20, 1993. The following day, however, the Eleventh Circuit stayed the Court's third omnibus order during the pendency of the appeals, and directed the clerk to expedite these appeals.

6. The Court notes that this is the precedent upon which it relied for its finding of federal question jurisdiction in the first omnibus order.

reviewing the verified complaint and the proposed supplemental complaint, the Eleventh Circuit determined that these pleadings did not present such a federal question, but, merely, a breach of contract claim. Similarly, the Eleventh Circuit found no federal question contained in TPL's emergency motions for injunctive relief filed on February 27, 1992, July 21, 1992, and August 21, 1992. The Eleventh Circuit found, however, that two of TPL's legal memoranda, which were filed in the Court record on September 16, 1992, presented, for the first time, a federal question.[7]

In light of these findings, the Eleventh Circuit stated:

> Now that we have reviewed the record in this case, we are aware that when the court entered the third order on August 21, 1992, events had occurred and evidence was in the record that suggested a basis for district court jurisdiction. The district court did not have jurisdiction, however, because although the evidence was present,

---

7. A close review of the Court record reveals that these pleadings, although file-stamped September 16, 1992, relate to earlier proceedings before the Court. TPL's reply memorandum in support of motion for preliminary injunction (D.E. # 60A), bearing a service date of March 2, 1992, pertains to TPL's first request for injunctive relief, which the Court addressed in the first omnibus order. TPL's supplemental memorandum in support of its motion for injunctive relief (D.E. # 59), bearing a service date of August 8, 1992, pertains to TPL's second request for injunctive relief, which the Court addressed in its second omnibus order. Due to the emergency nature of the proceedings, and the voluminous filings by the parties, some documents did not become incorporated into the Court record until well after the associated hearings.

> neither the complaint nor the supplemental complaint had sufficient allegations to meet the standard for district court jurisdiction. Because we are now aware of facts which suggest that the district court could have jurisdiction if the case arose today, we remand the case to the district court with directions that the district court dismiss this action unless one of the present parties files a complaint or other pleading which properly alleges jurisdiction. If such a complaint or petition is filed within thirty days of the date of remand, the district court shall proceed to frame and determine the issues in the usual manner.

Tamiami Partners, 999 F.2d at 508 (emphasis added).

The Court does not mind noting that the italicized portion of this passage of the Eleventh Circuit's opinion has made the Court's task on remand more difficult than would ordinarily be expected. As can be gleaned from the foregoing review of the proceedings prior to appeal, the Court did not enter any order on August 21, 1992. The Court entered the second omnibus order on August 19, 1992, and the third omnibus order on April 15, 1993. Therefore, the Eleventh Circuit's reference to the Court's entry of the third order on August 21, 1992 creates an ambiguity concerning which facts in the record would support federal question jurisdiction.

At a status conference held on October 26, 1993, the Court sought counsel's assistance in resolving this uncertainty. As might be expected, counsel for TPL and for the Tribe proposed differing interpretations of this reference. According to counsel for TPL, the passage's mention of the third order clearly refers to the

third omnibus order, dated April 15, 1993, and the reference to August 21, 1992 is merely a deviation in the chronology. (Transcript of Status Hearing on October 26, 1993, at 5.) According to counsel for the Tribe, however, the Court should disregard the reference to the third order and focus on the Eleventh Circuit's earlier, explicit reference to September 16, 1992 as the first date in the record where it found indicia of federal question jurisdiction. (Transcript of Status Hearing on October 26, 1993, at 15.) The Court finds no assistance in either side's interpretation. As previously noted, the legal memoranda filed in the Court record on September 16, 1992 actually pertain to earlier proceedings. Because the Eleventh Circuit found the indicia of jurisdiction in these memoranda, the Court concludes that jurisdictional facts were present before the Court as of the earliest service date of these pleadings; namely, March 2, 1992.

Act IV

Pursuant to the Eleventh Circuit's instructions, TPL filed an amended complaint on September 14, 1993. In the amended complaint, TPL asserts claims not only against the Tribe itself, but also against its various agencies and instrumentalities; namely, the business council, the gaming agency, and the tribal court. In addition, TPL asserts claims against the various individuals who hold offices within such organizations.[8] The amended complaint recounts all of the events in this litigation, and prays for declaratory and injunctive relief. It seeks declaratory relief in

---

8. The amended complaint also named the conservator as a defendant. On October 12, 1993, however, the tribal gaming agency

(Cont'd)

the form of an order adjudging that the defendants exceeded their jurisdiction and sovereign powers in their actions toward TPL and the bingo operation. It seeks injunctive relief in the form of an order declaring null and void the April 13, 1993 orders issued by the gaming agency and the tribal court, and requiring the Tribe, the gaming agency and the conservator to turn over to TPL its share of revenues pursuant to the agreement, as well as a $50,000 advance made by TPL to the Tribe in April 1993.

To cure its prior failure to comply with the well-pleaded complaint rule, TPL included in the amended complaint the following issues as predicates for the Court's federal question jurisdiction under *28 U.S.C. § 1331*:

> (1) Whether the Tribe's actions in effectively abrogating the management agreement (in purported furtherance of its governmental purposes through its legislative, regulatory, and judicial bodies) exceeded the Tribe's sovereign powers, violated IGRA, or violated the Commerce Clause?

(Cont'd)
issued an order terminating the conservatorship and requiring the conservator to turn over to the Tribe custody and control of the conservatorship res. Therefore, pursuant to TPL's motion, the Court dismissed the conservator from this action at the status hearing held on October 26, 1993.

(2) Whether the Tribe's actions in denying gaming licenses to TPL and its principals, and subsequently evicting them from the gaming facility without affording them due process (again, by acting through the Tribe's legislative, regulatory, and judicial bodies) exceeded the Tribe's sovereign powers, violated IGRA, or violated the Commerce Clause?

(3) Whether the individual defendants acted beyond the authority that the Tribe is capable of bestowing upon them under federal laws defining the sovereign powers of Indian tribes?

(4) Whether the tribal court or its judges exceeded their jurisdiction or sovereign powers:

— in asserting jurisdiction over the disputes between the Tribe and TPL?

— by issuing the order in aid of jurisdiction, dated April 13, 1993, which resulted in TPL's eviction, the installation of the conservator, and the conservator's withholding of TPL's share of its income under the management agreement, all without prior notice or post-eviction opportunity to be heard?

In response to the amended complaint, all of the defendants have moved for dismissal. The tribal court seeks dismissal for lack of subject matter jurisdiction and/or for failure to state a claim upon which relief can be granted.

In a separate motion, the remaining defendants seek dismissal for lack of subject matter jurisdiction and further argue that the amended complaint is barred by sovereign immunity as to them.[9]

STANDARD OF REVIEW FOR MOTIONS TO DISMISS

Fed.R.Civ.P. 12(b)(1) permits the presentation, by way of motion, of the defense of lack of jurisdiction over the subject matter. "A motion to dismiss for lack of jurisdiction may be decided by the district court on one of three bases: the complaint alone, the complaint supplemented by undisputed facts evidenced in the record, or the complaint supplemented by undisputed facts plus the court's resolution of disputed facts." *Ynclan v. Department of Air Force, 943 F.2d 1388, 1390 (5th Cir. 1991)* (citing *Williamson v. Tucker, 645 F.2d 404, 413* (5th Cir.), cert. denied, *454 U.S. 897, 70 L. Ed. 2d 212, 102 S. Ct. 396 (1981)).*

Fed.R.Civ.P. 12(b)(6) permits the presentation, by way of motion, of the defense of failure to state a claim upon which relief can be granted. To state a claim, Fed.R.Civ.P. 8(a) requires, inter alia, "a short and plain statement of the claim showing that

---

9. The Court notes that each of the two motions contains a statement incorporating by reference the other motion's arguments. The Court, however, declines such a sweeping invitation to extrapolate beyond the contents of each motion. In particular, the Court notes that the tribal court did not explicitly raise the issue of sovereign immunity in its motion to dismiss. Moreover, the United States Supreme Court in National Farmers Union makes no mention of sovereign immunity in the context of challenges to tribal court jurisdiction. The Court, therefore, does not consider the issue of sovereign immunity as to the tribal court.

the pleader is entitled to relief." The court must "take the material allegations of the complaint and its incorporated exhibits as true, and liberally construe the complaint in favor of the Plaintiff." *Burch v. Apalachee Community Mental Health Services, Inc., 840 F.2d 797, 798 (11th Cir. 1988)*, aff'd sub nom, *Zinermon v. Burch, 494 U.S. 113, 108 L. Ed. 2d 100, 110 S. Ct. 975 (1990)*. The law in this Circuit is well-settled that "the 'accepted rule' for appraising the sufficiency of a complaint is 'that a complaint should not be dismissed for failure to state a claim unless it appears beyond doubt that the plaintiff can prove no set of facts in support of his claim which would entitle him to relief.' " *SEC v. ESM Group, Inc., 835 F.2d 270, 272 (11th Cir. 1988)*, cert. denied sub nom, *Peat Marwick Main & Co. v. Tew, 486 U.S. 1055, 100 L. Ed. 2d 923, 108 S. Ct. 2822 (1988)* (quoting *Conley v. Gibson, 355 U.S. 41, 45-46, 2 L. Ed. 2d 80, 78 S. Ct. 99, 101-102 (1957))*. The moving party bears a heavy burden. *St. Joseph's Hosp., Inc. v. Hospital Corp. of America, 795 F.2d 948, 953*, reh'g denied, *801 F.2d 404 (11th Cir. 1986)*.

DISCUSSION

The Court first addresses the tribal court's motion to dismiss, which relies upon two grounds: lack of subject matter jurisdiction, pursuant to Fed.R.Civ.P. 12(b)(1); and failure to state a claim upon which relief can be granted, pursuant to Fed.R.Civ.P. 12(b)(6). After considering these issues, the Court addresses the remaining defendants' motion to dismiss for lack of subject matter jurisdiction, pursuant to Fed.R.Civ.P. 12(b)(1), and these defendants' invocation of sovereign immunity as a bar to the Court's jurisdiction.

Appendix K

1. The tribal court's motion to dismiss for lack of subject matter jurisdiction.

In its motion to dismiss, the tribal court concedes that the following issue raised in the amended complaint properly presents a federal question: Whether the tribal court or its judges exceeded their jurisdiction or sovereign powers in asserting jurisdiction over the disputes between the Tribe and TPL?

The tribal court cannot take a contrary position in light of the Eleventh Circuit's recognition that such an issue supports federal court jurisdiction under the Supreme Court's holding in *National Farmers Union Ins. Co. v. Crow Tribe of Indians, 471 U.S. 845, 85 L. Ed. 2d 818, 105 S. Ct. 2447 (1985).* Moreover, the Eleventh Circuit has indicated that the facts in the record of this litigation would support the Court's assertion of federal question jurisdiction if such facts were alleged in a well-pleaded complaint. As previously discussed, the Eleventh Circuit found such indicia in legal memoranda submitted by TPL as early as March 2, 1992 and August 8, 1992 (but file-stamped on September 16, 1992). In those documents, TPL challenged the tribal court's assertion of jurisdiction over it in the case brought by the Tribe against TPL in tribal court, Miccosukee Tribe of Indians of Florida v. Tamiami Partners, Ltd., Case No. CV. 92-07 (Miccosukee Court). Therefore, the Court concludes that TPL has properly alleged a basis for this Court's assertion of federal question jurisdiction in this action; namely, the exercise of tribal court judicial power over TPL, a non-Indian entity. *National Farmers Union, 471 U.S. at 852* ("The question whether an Indian tribe retains the power to compel a non-Indian

property owner to submit to the civil jurisdiction of a tribal court is one that must be answered by reference to federal law and is a 'federal question' under § 1331.").

The tribal court argues, however, that the Court lacks subject matter jurisdiction to address the companion "National Farmers Union" issue raised by TPL; i.e., whether the tribal court or its judges exceeded their jurisdiction or sovereign powers by issuing the order in aid of jurisdiction, dated April 13, 1993, which resulted in TPL's eviction, the installation of the conservator, and the conservator's withholding of TPL's share of its income under the management agreement, all without prior notice or post-eviction opportunity to be heard?

The tribal court advances the following arguments in support of its posture that the Court lacks jurisdiction over this question: first, the order in aid of enforcement issued by the tribal court on April 13, 1993 was merely supplemental to the tribal gaming agency's concurrent order; second, nothing would change even if the tribal court were to vacate this order because the operative order was the one issued by the tribal gaming agency; and, finally, the tribal court has already vacated the order.[10]

---

10. The tribal court's order of October 12, 1993, vacating and withdrawing its order in aid of enforcement, is attached as Exhibit B to the defendants' opposition to TPL's motion for preliminary injunction (D.E. # 144). The order bears Case No. CV. 92-07, rather than Case No. CV. 93-11, under which the original order in aid of enforcement was issued. At the status hearing held by the undersigned on October 26, 1993, however, counsel for the defendants stated that this was merely a scrivener's error, and that the vacating order should have properly issued under Case No. CV. 93-11. (Transcript of Status Hearing on October 26, 1993, at 39-40.)

The Court fails to see how these arguments bear upon the Court's recognized federal question jurisdiction over challenges to the assertion of tribal court judicial power over non-Indians. The tribal court cannot now seriously dispute that it asserted judicial power over TPL through the issuance of the order in aid of enforcement on April 13, 1993. Despite post-hoc interpretations advanced by the tribal court, the order explicitly states that the tribal court was appointing a "Conservator to fulfill the obligations of the Tribe under the Indian Gaming Regulatory Act and tribal law, as well as to preserve and protect [Miccosukee Indian Bingo] as an ongoing business operation." In re Conservatorship for Miccosukee Indian Bingo, Case No. CV. 93-11 (Miccosukee Court, Apr. 13, 1993). The appointment of the conservator resulted in the ouster of TPL from Miccosukee Indian Bingo, and that ouster remains in effect.[11] Therefore, the Court concludes that TPL has properly alleged the jurisdictional predicate for this Court's exercise of federal question jurisdiction over all of the tribal court's actions vis-a-vis TPL.

2. The tribal court's motion to dismiss for failure to state a claim upon which relief can be granted.

(i). As to the tribal court's assertion of jurisdiction in Case No. CV. 92-07:

---

11. With the tribal gaming agency's termination of the conservatorship on the same day that the tribal court issued the order vacating its order in aid of jurisdiction, the Tribe assumed direct control over Miccosukee Indian Bingo.

The tribal court argues that the amended complaint does not state a claim for relief because its assertion of jurisdiction over the disputes between TPL and the Tribe in Case No. CV. 92-07 is correct, leaving nothing for this Court to determine. As noted by the Eleventh Circuit, this Court has subject matter jurisdiction to "hear challenges to the tribal court's jurisdiction after a full opportunity for the tribal court determination of jurisdictional questions." *Tamiami Partners, 999 F.2d at 508* (citing *National Farmers Union, 471 U.S. at 856-57*. The Eleventh Circuit added, "The tribal court's determination [of jurisdictional questions] is ultimately subject to review in the district court, but unless the federal court determines that the tribal court lacked jurisdiction, the federal court must defer to the tribal court and cannot allow relitigation of the issues resolved in the tribal court." *Tamiami Partners, 999 F.2d at 508 n.12* (citing *Iowa Mut. Ins. Co. v. LaPlante, 480 U.S. 9, 19, 94 L. Ed. 2d 10, 107 S. Ct. 971 (1987)*. This pronouncement stems from the doctrine of exhaustion of tribal remedies, which the Court applied in its first omnibus order.

According to the tribal court, TPL has not exhausted its tribal remedies in Case No. CV. 92-07 because it failed to raise federal law as a bar to tribal court jurisdiction in the tribal court proceedings.[12] The tribal court's memorandum opinion

---

12. In seeking dismissal of the tribal court action, TPL argued that the tribal court could not exercise jurisdiction over non-Indians under the provisions of the Miccosukee Code.

dated August 7, 1992, however, fully addresses the issue of its jurisdiction over TPL, the non-Indian defendant, from both federal law and tribal code perspectives. The Court concludes, therefore, that the tribal court has had a full opportunity to address the jurisdictional questions in Case No. CV. 92-07, thereby rendering the matter subject to federal court review.

(ii). As to the tribal court's assertion of jurisdiction in Case No. CV. 93-11:

These proceedings in tribal court were limited to the issuance of the tribal court order in aid of enforcement on April 13, 1993, which was subsequently vacated and withdrawn on October 12, 1993. These orders were entered without prior notice to TPL, making it impossible for TPL to exhaust tribal remedies by challenging the tribal court's jurisdiction in tribal court.[13] Unlike the case addressing the contract dispute between TPL and the Tribe, therefore, the issue of the tribal court's jurisdiction was not explored by the tribal court with regard to this case. Nevertheless, exhaustion of tribal remedies has now been foreclosed by the tribal court's effective termination of this action. Therefore, the Court need not apply the doctrine of exhaustion of tribal remedies as to this action. This renders the matter subject to federal court review.

---

13. At the status hearing held on October 26, 1993, counsel for the defendants informed the Court that the order of April 13, 1993 was entered pursuant to a request from the conservator and vacated pursuant to an application on the part of the tribal gaming agency. (Transcript of Status Hearing on October 26, 1993, at 33 & 36-37.)

Appendix K

3. Mootness

The Tribe and its instrumentalities, however, have short-circuited the Court's consideration of these issues. As to Case No. CV. 92-07, the Tribe voluntarily dismissed the action on October 25, 1993. (Exhibit A to the defendants' opposition to TPL's motion for preliminary injunction, D.E. # 144.) Pursuant to the Tribe's voluntary dismissal, the tribal court is no longer asserting jurisdiction over TPL in that action. Moreover, the only exercise of the tribal court's jurisdiction over TPL in that case was through the order of July 12, 1992 compelling arbitration, and those proceedings are no longer ongoing. Similarly, as to Case No. CV. 93-11, the Court and the parties know that an adjudication of the tribal court's jurisdiction would rise to nothing more than an exercise in futility. Were the Court to declare the tribal court's order in aid of enforcement null and void for lack of jurisdiction, as it did in its third omnibus order, the Tribe would continue to assert control over Miccosukee Indian Bingo under the guise of the tribal gaming agency's authority. Indeed, the tribal gaming agency's request that the tribal court vacate its April 13, 1993 order makes this clear.[14]

---

14. At the status hearing held on October 26, 1993, the Court asked counsel for TPL his position on precisely this issue. The Court asked Mr. Bohrer, "If I find only that I have authority to simply review the exercise of jurisdiction by the tribal court, isn't this all a moot issue now?" Mr. Bohrer responded, "If that's the only jurisdiction you have, Your Honor, then that jurisdiction is, to some extent, gone." Mr. Bohrer added, "By vacating [the order], it's as if it didn't happen and my client should be able to walk back in. We all know that's not going happen." (Transcript of Status Hearing on October 26, 1993, at 58-60.)

The Court concludes, therefore, that the issue of the tribal court's jurisdiction over TPL has been rendered moot by the termination of the tribal court proceedings, thereby requiring dismissal of this portion of the amended complaint under the "case or controversies" requirement of Article III of the United States Constitution. Accordingly, the Court grants the tribal court's motion to dismiss.

4. The remaining defendants' motion to dismiss for lack of subject matter jurisdiction:

The remaining defendants have filed a separate motion to dismiss for lack of subject matter jurisdiction, pursuant to Fed.R.Civ.P. 12(b)(1). These defendants argue that the Court's federal question jurisdiction is circumscribed to a review of tribal judicial power. Accordingly, they seek outright dismissal of all aspects of the amended complaint that do not challenge tribal court jurisdiction. A review of the case law does not support this narrow construction of federal question jurisdiction over exercises of tribal sovereign powers.

Initially, the Court notes that National Farmers Union stands for the proposition that the exercise of tribal judicial power over non-Indians presents a federal common law question, not the only federal common law question in this area. In the case below, *National Farmers Union Ins. Co. v. Crow Tribe of Indians, 736 F.2d 1320 (9th Cir. 1984)*, the Ninth Circuit recognized that challenges to tribal exercise of regulatory powers could state a claim arising under federal common law but concluded that challenges to tribal exercise of adjudicatory powers failed to state a federal question. *Id. at 1323*. The Supreme Court

reversed, stating that challenges to tribal court jurisdiction did state a federal question. *National Farmers Union, 471 U.S. at 857.*

Numerous other federal cases involve similar challenges to tribal regulatory and/or legislative powers over non-Indians. See e.g., *Montana v. United States, 450 U.S. 544, 547, 67 L. Ed. 2d 493, 101 S. Ct. 1245 (1981)* (challenge to an Indian tribe's power to regulate hunting and fishing by non-Indians on reservation lands); *Brendale v. Confederated Tribes & Bands of Yakima Indian Nation, 492 U.S. 408, 414, 106 L. Ed. 2d 343, 109 S. Ct. 2994 (1989)* (challenge to imposition of zoning and land use tribal laws on non- members); *Native Village of Tyonek v. Puckett, 957 F.2d 631, 634 (9th Cir. 1992)* (challenge to application of tribal ordinances to non-members); *Morongo Band of Mission Indians v. Rose, 893 F.2d 1074, 1077-79 (9th Cir. 1990)* (same); *Chilkat Indian Village v. Johnson, 870 F.2d 1469, 1473-75 (9th Cir. 1989)* (same); *Cardin v. De La Cruz, 671 F.2d 363, 365* (9th Cir.), cert. denied, *459 U.S. 967, 74 L. Ed. 2d 277, 103 S. Ct. 293 (1982)* (challenge to tribal regulation of a business); *Middlemist v. Secretary, Dept. of Interior, 824 F. Supp. 940, 943 (D. Mont. 1993)* (challenge to application of tribal conservation laws to non-members). The Court concludes that TPL's amended complaint states a federal common law question as to the non tribal-court defendants; namely, whether these defendants exceeded tribal powers in their actions towards TPL.

Appendix K

5. Sovereign immunity:

The Court's jurisdictional inquiry as to these defendants does not end, however, with a finding of subject matter jurisdiction. A "plaintiff challenging tribal power in federal court must show: (1) a federal cause of action; and (2) a waiver of tribal sovereign immunity. If these two elements can be shown to exist, then *42 U.S.C. § 1331* provides a federal forum." K. Gover & R. Laurence Avoiding Santa Clara Pueblo v. Martinez: The Litigation in Federal Court of Civil Actions Under the Indian Civil Rights Act, *8 Hamline L. Rev. 497, 516 (1985)*. The relationship between subject matter jurisdiction and sovereign immunity is as follows:

> Strictly speaking, . . . the immunity defense available to the sovereign does not necessarily present, and should not be confused with the question of subject matter jurisdiction (citations omitted). The district court may have the power to adjudicate a claim against the sovereign under its general federal question jurisdiction, just as the court might equally have jurisdiction in an action against any other legal entity; but the court must find that such claim is not viable unless the sovereign has consented to be sued in that court in the same manner as another legal entity. Conversely, the sovereign may consent to be sued in a given case, but the district court may lack subject matter jurisdiction over the otherwise viable claim if no substantial federal question is presented, diversity is wanting, and no other statutory jurisdictional predicate is applicable.

Homewood Corp. v. Kemp, 786 F. Supp. 1315, 1317 (S.D. Ohio 1992) (quoting *Brewer v. Department of Housing & Urban Dev., 508 F. Supp. 72, 75 (S.D. Ohio 1980)).*

(i). As to the Tribe and its agencies:

The United States Supreme Court has unequivocally found that Indian tribes possess sovereign immunity from suit. "Indian tribes are domestic dependent nations which exercise inherent sovereign authority over their members and territories. Suits against Indian tribes are thus barred by sovereign immunity absent a clear waiver by the tribe or congressional abrogation." *Oklahoma Tax Comm'n v. Citizen Band Potawatomi Indian Tribe of Oklahoma, 498 U.S. 505, 111 S. Ct. 905, 909, 112 L. Ed. 2d 1112 (1991).* "A waiver of tribal sovereign immunity cannot be implied but must be unequivocally expressed." *Bank of Oklahoma v. Muscogee (Creek) Nation, 972 F.2d 1166, 1171 (10th Cir. 1992)* (citing *Santa Clara Pueblo v. Martinez, 436 U.S. 49, 58, 56 L. Ed. 2d 106, 98 S. Ct. 1670 (1978)).* "An Indian tribe's immunity from suit extends to suits for declaratory and injunctive relief." *Imperial Granite Co. v. Pala Band of Mission Indians, 940 F.2d 1269, 1271 (9th Cir. 1991)* (citing *Santa Clara Pueblo, 436 U.S. at 58).* Taking into consideration the Tribe's cloak of sovereign immunity helps elucidate the Eleventh Circuit's statement that, "Under *28 U.S.C. § 1331,* the district court only had subject matter jurisdiction to hear challenges to the tribal court's jurisdiction after a full opportunity for tribal court determination of jurisdictional questions." *Tamiami Partners, 999 F.2d at 508* (emphasis

added). Indeed, the Eleventh Circuit made this pronouncement at the conclusion of a discussion regarding the Tribe's sovereign immunity.[15]

The Court concludes, therefore, that the Tribe's sovereign immunity shields it from the allegations in the amended complaint regarding the exertion of tribal power as to TPL. Moreover, the Tribe's sovereign immunity extends to the tribal business council and tribal gaming agency. *Weeks Construction, Inc. v. Oglala Sioux Housing Auth., 797 F.2d 668, 670-71 (8th Cir. 1986).* Therefore, the Court must dismiss the amended complaint as to the Tribe, the Miccosukee Business Council and the Miccosukee Tribal Gaming Agency. The Court recognizes the exception carved by the Tenth Circuit in *Dry Creek Lodge, Inc. v. Arapahoe & Shoshone Tribes, 623 F.2d 682* (10th Cir.), cert. denied, *449 U.S. 1118, 66 L. Ed. 2d 847, 101 S. Ct. 931 (1980),* for asserting federal jurisdiction in cases involving non-Indians, where no other forum is available. The Tenth Circuit has narrowly construed this exception to situations where plaintiff's rights have been egregiously violated and tribal remedies were wrongfully denied to plaintiffs. *Seneca Cayuga Tribe of Oklahoma v. State ex rel. Thompson, 874 F.2d 709, 715 n.6 (10th Cir. 1989).* TPL argues that the circumstances in this case are clearly comparable to the egregious conduct and denial of tribal remedies present in Dry Creek. The Eleventh Circuit, however, was cognizant of the facts in this case when it made the

---

15. The difficulties encountered by plaintiffs seeking redress from Indian tribes has been the focus of recent Congressional debate. For an up to date review of these efforts, see V. Limas, Employment Suits Against Indian Tribes: Balancing Sovereign Rights and Civil Rights, *70 Denv. U. L. Rev. 359, 387-89 (1993).*

foregoing statement regarding the Court's only basis for assertion of jurisdiction. The Court concludes, therefore, that the Eleventh Circuit would not contemplate application of the Dry Creek exception to this case.[16]

(ii). As to the individual defendants:

Sovereign immunity does not necessarily extend to the named tribal officers. *Oklahoma Tax Comm'n v. Citizen Band Potawatomi Indian Tribe of Oklahoma, 498 U.S. 505, 111 S. Ct. 905, 912, 112 L. Ed. 2d 1112 (1991)* ("We have never held that individual agents or officers of a tribe are not liable for damages in actions brought by the State.") (citing *Ex parte Young, 209 U.S. 123, 52 L. Ed. 714, 28 S. Ct. 441 (1908))*; *Santa Clara Pueblo v. Martinez, 436 U.S. 49, 59, 56 L. Ed. 2d 106, 98 S. Ct. 1670 (1978)* (A tribal officer is not protected by the tribe's immunity from suit.) See also *Northern States Power Co. v. Prairie Island Mdewakanton Sioux Indian Community, 991 F.2d 458, 460 (8th Cir. 1993)* (Ex parte Young applies to the sovereign immunity of Indian tribes.); *Tenneco Oil Co. v. Sac & Fox Tribe of Indians of Oklahoma, 725 F.2d 572, 574-75 (10th Cir. 1984)* (Tribal officials were

---

16. Indeed, in a recent opinion involving a case brought by the Seminole Tribe of Florida against the State of Florida, in which the state asserted the sovereign immunity defense, the Eleventh Circuit stated, "The need for a forum, however, does not provide a federal court with the power to override state officials' constitutionally mandated sovereign immunity. Federal court jurisdiction is subject to and limited by the dictates of the Eleventh Amendment, and one judge's desire to give an aggrieved party a remedy does not enlarge it." *Seminole Tribe of Florida v. Florida, 11 F.3d 1016, 1028 n.14 (11th Cir. 1994).*

not protected by the Tribes's immunity.); Gover & Laurence, supra at 517 ("[T]he Martinez citation to Ex parte Young should allow the suit against a tribal official to proceed to the merits of whether the tribal official is acting inconsistently with federal law in performing the acts involved in the challenged tribal power.")

The amended complaint alleges that the named tribal officers have acted beyond the authority that the Tribe is capable of bestowing upon them under federal laws defining the sovereign powers of Indian tribes. Taking the facts alleged in the amended complaint as true, in accordance with the standard for motions to dismiss, leads the Court to the conclusion that the defense of sovereign immunity does not require dismissal of the amended complaint as to Billy Cypress, Jasper Nelson, Jimmie Bert, Max Billie, Henry Bert, Andy Buster, and Minnie Bert.

6. Exhaustion of tribal remedies as to claims against tribal officers:

In National Farmers Union, the Supreme Court explicitly made the exhaustion of tribal remedies doctrine applicable to a suit challenging tribal court jurisdiction. *National Farmers Union, 471 U.S. at 857.* The Supreme Court articulated three exceptions to the exhaustion requirement: (1) where the assertion of tribal jurisdiction is motivated by a desire to harass or is conducted in bad faith; (2) where the action is patently violative of express jurisdictional prohibitions; and (3) where exhaustion would be futile because of the lack of an adequate opportunity to challenge the court's jurisdiction. *Id. at 857 n.21.* Courts have applied the exhaustion requirement, conditioned upon the applicability of the National Farmers Union

exceptions, to suits challenging the actions of tribal officers. In *Kaul v. Wahquahboshkuk, 838 F. Supp. 515, 517-18 (D. Kan. 1993)*, the District of Kansas applied the exhaustion doctrine to dismiss a suit against the six members of a tribal council. The Kansas court considered, and rejected, the plaintiff's proffered reliance upon the National Farmers Union exceptions. *Id. at 518.* In *Superior Oil Co. v. United States, 798 F.2d 1324, 1331 (10th Cir. 1986)*, the Tenth Circuit similarly applied the National Farmers Union exhaustion requirement and instructed the district court "to undertake such further proceedings deemed necessary to determine whether the actions of the Navajo Tribe of Indians and the named individual Navajo defendants . . . were taken in bad faith or motivated by a desire to harass such as to render exhaustion of Navajo Tribal Court remedies futile."

In its amended complaint, TPL invokes the National Farmers Union exceptions to support its argument that it need not exhaust tribal remedies. In particular, TPL asserts the bad faith exception articulated in National Farmers Union. TPL further asks the Court to rely on the existing record to verify the validity of its posture. For the present purposes, however, the Court need only take as true TPL's allegations of bad faith on the part of the Tribe. Taking such allegations as true, the Court must reject the tribal officers' contention that the amended complaint should be dismissed as to them for failure to exhaust tribal remedies. Accordingly, the Court concludes that TPL's action shall proceed as to the named tribal officers.

Appendix K

CONCLUSION

Based on the foregoing considerations, it is hereby ORDERED AND ADJUDGED that:

(1) The Miccosukee Tribal Court's motion to dismiss the amended complaint is GRANTED.

(2) The motion of the Miccosukee Tribe of Indians of Florida, Miccosukee Business Council, Miccosukee Tribal Gaming Agency, Billy Cypress, Jasper Nelson, Jimmie Bert, Max Billie, Henry Bert, Andy Buster, and Minnie Bert to dismiss the amended complaint is GRANTED IN PART AND DENIED IN PART. The motion is GRANTED as to the Miccosukee Tribe of Indians of Florida; the Miccosukee Business Council; and the Miccosukee Tribal Gaming Agency. The motion is DENIED as to Billy Cypress; Jasper Nelson; Jimmie Bert; Max Billie; Henry Bert; Andy Buster; and Minnie Bert.

(3) This action be and the same is hereby DISMISSED with prejudice as to Defendants Miccosukee Tribal Court; Miccosukee Tribe of Indians of Florida; Miccosukee Business Council; and Miccosukee Tribal Gaming Agency.

DONE AND ORDERED in Chambers, at Miami, Dade County, Florida, this 28th day of February, 1994.

SHELBY HIGHSMITH

UNITED STATES DISTRICT JUDGE

APPENDIX L — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE ELEVENTH CIRCUIT DATED AUGUST 16, 1993

TAMIAMI PARTNERS, LIMITED,

Plaintiff-Appellant,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant-Appellee.

TAMIAMI PARTNERS, LIMITED,

Plaintiff-Appellee,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant-Appellant,

Kenneth Welt, Conservator,

Movant-Appellant.

TAMIAMI PARTNERS, LIMITED,

Plaintiff-Appellee,

v.

Appendix L

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant-Appellant.

Nos. 92-4869, 93-4375 and 93-4410.

United States Court of Appeals,
Eleventh Circuit.

Aug. 16, 1993.

* * *

Appeals from the United States District Court for the Southern District of Florida.

Before HATCHETT, Circuit Judge, RONEY*, Senior Circuit Judge, and ATKINS**, Senior District Judge.

HATCHETT, Circuit Judge:

In this lawsuit involving a contract dispute between Indians and non-Indians on Indian lands, we hold that the district court did not have subject matter jurisdiction.

---

* *See* Rule 34-2(b), Rules of the U.S. Court of Appeals for the Eleventh Circuit.

** Honorable C. Clyde Atkins, Senior U.S. District Judge for the Southern District of Florida, sitting by designation.

Appendix L

I. FACTS

The Miccosukee Tribe of Indians of Florida (Tribe), a federally recognized Indian tribe, was organized under the Indian Reorganization Act of 1934, 25 U.S.C. § 461, *et seq.* In 1988, Congress enacted the Indian Gaming Regulatory Act (IGRA), 25 U.S.C. § 2701, *et seq.*, to define the powers of Indian tribes in conducting and regulating gaming on Indian land. In May, 1989, Tamiami Partners, Ltd. (TPL), a Florida limited partnership involved in gaming activities, was organized and Tamiami Development Corporation (TDC) was its sole general partner.

On April 7, 1989, the Tribe and TDC entered into a Management and Economic Development Agreement (agreement) for the purpose of operating a Class II gaming enterprise pursuant to the IGRA.[1] The Tribe owned the land, and TDC managed the gaming enterprise. In February, 1990, after TDC assigned its rights under the agreement to TPL, TPL spent approximately $6.5 million to acquire land that became part of the Miccosukee Indian Reservation, built the bingo hall, and began business in September, 1990.

In 1991, the Tribe and TPL began having disputes over the gaming operation. Due to these disputes, on January 28, 1992, the Tribe sent TPL a notice of its intent to terminate the agreement on February 28, 1992. On February 4, 1992, in a response, TPL disputed the Tribe's grounds for

---

1. Class II gaming includes bingo and card games. 25 U.S.C. § 2703(7). Class II gaming on reservations is within the jurisdiction of the Indian Tribes, subject to the provisions of the IGRA. 25 U.S.C. § 2710(a)(2).

termination. On February 11, 1992, the Tribe acknowledged receipt of TPL's response, but reasserted the termination of the agreement effective February 28, 1992. On February 25, 1992, TPL formally demanded arbitration to determine the validity of the Tribe's termination notice, pursuant to article 12 of the parties' agreement.[2] Additionally, TPL requested that the Tribe respond to its arbitration demand by noon, February 26, 1992, and indicated that, without a response, it would assume the Tribe's reply to be negative. The Tribe did not respond, but filed a "Statement of Claim" in Miccosukee Tribal Court.[3] On February 27, 1992, TPL filed a verified complaint in the United States District Court, Southern District of Florida.[4]

---

2. Article 12.1 of the agreement provided: "All disputes, controversies and/or claims arising out of or relating to this agreement, or breach thereof, shall be settled by arbitration, as set forth in this article 12."

3. The Tribe's "Statement of Claim" is an action for declaratory and injunctive relief, praying for an order declaring that the agreement is terminated, directing that the tribe assume control of the enterprise, enjoining TPL from interfering with such assumption, directing tribal police to enforce the order, and granting attorney's fees and costs.

4. TPL's verified complaint prayed for the entry of a declaratory judgment and injunction, holding the Tribe bound under the agreement's arbitration clause, compelling arbitration, and enjoining the tribe from taking any action to seize or assume control of the enterprise pending arbitration.

Appendix L

II. PROCEDURAL HISTORY

On February 28, 1992, the district court held a hearing on TPL's motion for a preliminary injunction to compel arbitration. Because the district court recessed the hearing until March 2, 1992, it issued a temporary restraining order maintaining the status quo of the parties. On March 5, 1992, the district court entered its first omnibus order, finding that it had subject matter jurisdiction pursuant to 28 U.S.C. § 1331 to determine the extent of tribal court jurisdiction over non-Indians.[5] The district court acknowledged the Tribe's sovereign immunity, but determined that the Tribe had waived its sovereign immunity in article 23 of the agreement.[6] Thus, the district court vacated its previously

---

5. Section 1331 provides: "The district courts shall have original jurisdiction of all civil actions arising under the Constitution, laws, or treaties of the United States."

6. Article 23 of the agreement states:

> The United States District Court for the Southern District of Florida, shall have jurisdiction over the parties hereto in order to enforce the terms hereof specifically, upon one or both of the following events: (i) Owner [Tribe] fails to participate in an arbitration proceeding invoked as provided in Article 12 [the arbitration clause], or (ii) failure by Owner to abide by the terms of an arbitration award. . . . This waiver of sovereign immunity shall not become effective until manager [TPL] has given notice to the Miccosukee Tribal Business Council, detailing the nature of the complaint and the Owner shall have failed after thirty days following such notice to cure such complaint.

entered temporary restraining order, denied TPL's motion for a preliminary injunction, and denied the Tribe's motion to dismiss. The district court also stayed any further proceedings until (1) tribal remedies were exhausted, (2) the Tribe used self-help, or (3) the Tribe failed to give at least two business days' notice of taking action pursuant to the tribal court order. *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians,* 788 F.Supp. 566 (S.D.Fla.1992) (*TPL I*).

On July 16, 1992, the Miccosukee Tribal Court entered an order directing the parties to arbitrate the commercial disputes and reserved jurisdiction to hear matters not covered under the arbitration clause. *Miccosukee Tribe of Indians v. Tamiami Partners, Ltd.,* No. CV 92-07 (Miccosukee Tribal Court, July 16, 1992). During this period, the Tribe denied approximately seventeen gaming license applications and approved sixteen license applications pursuant to a Tribe ordinance regarding licensing gaming personnel. TPL considered the Tribe's licensing denials to be a form of self-help. Thus, on July 21, 1992, TPL filed in the district court an emergency motion seeking injunctive relief to prohibit the Miccosukee Tribal Gaming Agency (Agency) from further denying licenses of key employees and to compel the Tribe to arbitrate licensing issues.[7]

After a hearing on July 24, 1992, the district court issued a temporary injunction pending its review of the Tribe's licensing process. On August 4 and 5, 1992, the district court held evidentiary hearings to review the licensing process. On August 19,

---

7. Miccosukee Tribal Gaming Agency is the Business Council of the Miccosukee Tribe of Indians of Florida.

1992, the district court entered its second omnibus order, determining that the Tribe's licensing process was "arbitrary and capricious" under the Administrative Procedure Act (APA), but also finding that the Tribe did not waive its sovereign immunity over the licensing process. Accordingly, the district court vacated its temporary injunction, denied TPL's emergency motion for a preliminary injunction, denied the Tribe's motion to dismiss, and stayed the action subject to the terms of the first omnibus order. *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians,* 803 F.Supp. 401 (S.D.Fla.1992) (*TPL II*). On August 21, 1992, TPL filed a motion for leave to file a supplemental complaint and an emergency motion for a preliminary injunction. On September 15, 1992, the district court denied both motions. TPL appealed.

On April 13, 1993, the Agency denied applications for gaming licenses of TPL, TDC, and Cye Mandel and John Sisto.[8] The Agency also appointed Kenneth Welt as conservator of Miccosukee Indian bingo. Welt removed TPL, TDC, Mandel, and Sisto from the premises on April 13, 1993, and the tribal court issued an order enforcing Welt's appointment. Thereafter, TPL filed a motion for an emergency hearing and an order enjoining the Tribe from exercising self-help. After a hearing on April 15, 1993, the district court issued its third omnibus order, lifting the stay because the Tribe violated the two-day notice provision in appointing Welt without giving notice, finding that the tribal court exceeded its jurisdiction because it affirmed Welt's

---

8. Mandel and Sisto were officers, directors, and principal shareholders of TDC.

appointment, and declaring void the denial of the four license applications. The district court also declared void the appointment of Welt as conservator, denied Welt's motion to intervene, and granted TPL injunctive relief. *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians,* No.92-0489-CIV-HIGHSMITH, slip op. at 6 (S.D.Fla. Apr. 15, 1993) (*TPL III*).

The Tribe filed an emergency motion for stay pending appeal in this court. This court granted the Tribe's motion for leave to appeal pursuant to 28 U.S.C. § 1292 and consolidated and expedited the appeals.[9]

III. CONTENTIONS

The Tribe, appellant, contends that the district court lacked subject matter jurisdiction to consider the commercial contract dispute between the Tribe and non-Indians on Indian lands. The Tribe contends that the Miccosukee Tribal Court had jurisdiction over this dispute and that tribal courts have exclusive jurisdiction over actions of non-Indians on reservation lands absent an affirmative limitation from federal treaties and statutes. Moreover, the Tribe contends that it did not waive its sovereign immunity nor relinquish its powers relating to the Tribe's right to regulate gaming.

Welt, appellant, contends that the Tribe's sovereign immunity bars this lawsuit. Welt also contends that although the district court has federal jurisdiction, pursuant to 28 U.S.C. § 1331,

---

9. For purposes of this opinion, the Tribe and Welt are the appellants, and TPL is the appellee.

to review a tribal court's exercise of its jurisdiction, the exhaustion doctrine bars the district court from the exercise of its jurisdiction until TPL has exhausted all tribal remedies.

The United States, participating as *amicus curiae* on behalf of the appellants, contends that the district court did not have subject matter jurisdiction because contract interpretation does not arise under federal law. Additionally, the United States contends that parties cannot create federal jurisdiction through agreement.

The National Indian Gaming Association, participating as *amicus curiae* on behalf of the appellants, contends that the contract dispute between the Tribe and TPL does not arise under federal law.

On the other hand, TPL, appellee, contends that this case does not involve a commercial contract dispute, but rather involves a tribe's improper use of its sovereign immunity. Additionally, TPL contends that the district court had jurisdiction over the Tribe's licensing process because the exhaustion doctrine's exceptions apply whenever an injustice would result. Thus, TPL contends that the district court properly exercised its jurisdiction to prevent the Tribe from frustrating the district court's jurisdiction.

IV. STANDARD OF REVIEW

"The subject matter jurisdiction of the district court is a question of law, and therefore, subject to *de novo* review." *United States v. Perez,* 956 F.2d 1098, 1101 (11th Cir.1992).

Appendix L

V. DISCUSSION

"Under our long standing interpretation of the current statutory scheme, the question whether a claim 'arises under' federal law must be determined by reference to the 'well-pleaded complaint.' " *Merrell Dow Pharmaceuticals v. Thompson,* 478 U.S. 804, 808, 106 S.Ct. 3229, 3232, 92 L.Ed.2d 650 (1986) (quoting *Franchise Tax Board v. Construction Laborers Vacation Trust,* 463 U.S. 1, 9-10, 103 S.Ct. 2841, 2845-46, 77 L.Ed.2d 420 (1983)). "The presence or absence of federal question jurisdiction is governed by the 'well-pleaded complaint' rule." *Oklahoma Tax Commission v. Graham,* 489 U.S. 838, 840, 109 S.Ct. 1519, 1520, 103 L.Ed.2d 924 (1989). The application of the well-pleaded complaint rule can defeat federal question jurisdiction. *Graham,* 489 U.S. at 841, 109 S.Ct. at 1521. According to the well-pleaded complaint rule, "federal jurisdiction exists only when a federal question is presented on the face of the plaintiff's properly pleaded complaint." *Caterpillar, Inc. v. Williams,* 482 U.S. 386, 392, 107 S.Ct. 2425, 2429, 96 L.Ed.2d 318 (1987) (citing *Gully v. First National Bank,* 299 U.S. 109, 112-13, 57 S.Ct. 96, 97-98, 81 L.Ed. 70 (1936)). "The jurisdictional question in this case is not affected by the fact that tribal immunity is governed by federal law." *Graham,* 489 U.S. at 841, 109 S.Ct. at 1521.

In this case, neither the verified complaint nor the supplemental complaint states a federal question.[10]

---

10. We are aware that the district court denied TPL's motion for leave to file a supplemental complaint. We review the supplemental complaint, however, to determine if its filing would have cured the jurisdictional defect.

Specifically, the verified complaint states that "[t]his Court has jurisdiction pursuant to 28 U.S.C. § 1331," and then presents facts establishing a breach of contract claim. The supplemental complaint adopts the allegations of the verified complaint, including the jurisdictional basis, and then presents facts establishing that the Tribe is exercising self-help in violation of the management and economic development agreement (breach of contract).

The February 27, 1992, motion for preliminary injunction, the July 21, 1992, emergency motion for order enjoining Tribe from exercising self-help to terminate the management contract, and the August 21, 1992, emergency motion of Tamiami Partners for a preliminary injunction also fail to assert a federal question. The motions merely allege that the Tribe must arbitrate as the parties agreed.

On September 16, 1992, TPL filed a memorandum in support of its motion for preliminary injunction and a supplemental memorandum in support of its motion for injunctive relief. In these memoranda, TPL suggests for the first time that federal question jurisdiction exists because TPL is challenging the tribal court's assertion of jurisdiction over the dispute between TPL and the Tribe.

After oral argument, on June 4, 1993, TPL submitted a motion for leave to supplement oral argument. In this motion, TPL concedes that the original complaint "did not raise the federal question before the district court." Additionally, TPL suggests that not only did the original complaint not state a federal question, but also the proposed supplemental complaint failed to raise a federal question. Thus, TPL asks

that this court "deem the pleadings amended to remedy this procedural problem." We decline to do so.

TPL's mere assertion that the district court had federal question jurisdiction pursuant to 28 U.S.C. § 1331, without alleging facts necessary to support a federal question, fails to give the district court subject matter jurisdiction. According to *National Farmers Union Ins. Cos. v. Crow Tribe,* 471 U.S. 845, 105 S.Ct. 2447, 85 L.Ed.2d 818 (1985), to invoke a federal court's jurisdiction under section 1331, TPL must have asserted a claim " 'arising under' federal law." *National Farmers Union,* 471 U.S. at 850, 105 S.Ct. at 2450. The right to be protected against an unlawful exercise of tribal court judicial power is such a claim arising under federal law "because federal law defines the outer boundaries of an Indian tribe's power over non-Indians." *National Farmers Union,* 471 U.S. at 851, 105 S.Ct. at 2451. As indicated earlier, however, TPL never pleaded such facts. *See Caterpillar,* 482 U.S. at 393 n. 7, 107 S.Ct. at 2430 n. 7 (finding that "[j]urisdiction may not be sustained on a theory that the plaintiff has not advanced"). Thus, TPL presented no federal question, and the district court did not have subject matter jurisdiction. *See Stock West, Inc.,* 873 F.2d at 1225 (finding "federal question jurisdiction does not exist merely because an Indian tribe is a party or the case involves a contract with an Indian tribe"); *Martinez v. Southern Ute Tribe,* 249 F.2d 915, 917 (10th Cir.1957) (finding that federal question jurisdiction does not exist simply because an Indian is a party or because the lawsuit involves Indian property or contracts), *cert. denied,* 356 U.S. 960, 78 S.Ct. 998, 2 L.Ed.2d 1067 (1958); *Jackson v. United States,* 485 F.Supp. 1243, 1247 (D. Alaska 1980) (determining that merely because the

Secretary of the Interior approved a contract entered into with an Indian tribe, pursuant to 25 U.S.C. § 81, did not render a lawsuit arising from the contract one that presented a federal question).

Moreover, in this case, the Tribe's waiver of sovereign immunity is of no import. "[T]he existence and extent of a tribal court's jurisdiction will require a careful examination of tribal sovereignty, the extent to which the sovereignty has been altered, divested, or diminished. . . ." *National Farmers Union,* 471 U.S. at 855-56, 105 S.Ct. at 2453. Even though the parties' agreement contains a limited waiver of the Tribe's sovereign immunity, this waiver cannot grant federal court jurisdiction where it otherwise would not exist — that is, this state law breach of contract claim is not appropriate for federal court jurisdiction.[11] *See Graham,* 489 U.S. at 841, 109 S.Ct. at 1521 (finding that state-law tax claims do not arise under federal law, and thus there is no independent basis for original federal jurisdiction, even though tribal immunity, a federal defense, is governed under federal law); *American Fire & Casualty Co. v. Finn,* 341 U.S. 6, 18 n. 17, 71 S.Ct. 534, 542 n. 17, 95 L.Ed. 702 (1951) (finding that consent of the parties cannot expand the jurisdiction of federal courts because it would allow federal

---

11. In fact, "[a]bsent an effective waiver or consent, it is settled that a state court may not exercise jurisdiction over a recognized Indian tribe." *Puyallup Tribe v. Dept. of Game,* 433 U.S. 165, 172, 97 S.Ct. 2616, 2621, 53 L.Ed.2d 667 (1977). The Supreme Court has continuously acknowledged tribal courts' inherent power to exercise civil jurisdiction over non-Indians in conflicts affecting the interests of Indians on Indian lands. *See, e.g., Montana v. United States,* 450 U.S. 544, 101 S.Ct. 1245, 67 L.Ed.2d 493 (1981).

courts to become "the common resort of persons who have no right, either under the Constitution or the laws of the United States, to litigate in those courts"); *Weeks Construction, Inc. v. Oglala Sioux Housing Authority,* 797 F.2d 668, 671 (8th Cir.1986) (finding "[m]ere consent to be sued, even consent to be sued in a particular court, does not alone confer jurisdiction upon that court to hear a case if that court would not otherwise have jurisdiction over the suit"). Under 28 U.S.C. § 1331, the district court only had subject matter jurisdiction to hear challenges to the tribal court's jurisdiction after a full opportunity for tribal court determination of jurisdictional questions.[12] *National Farmers Union,* 471 U.S. at 856-57, 105 S.Ct. at 2454.

Now that we have reviewed the record in this case, we are aware that when the court entered the third order on August 21, 1992, events had occurred and evidence was in the record that suggested a basis for district court jurisdiction. The district court did not have jurisdiction, however, because although the evidence was present, neither the complaint nor the supplemental complaint had sufficient allegations to meet the standard for district court jurisdiction. Because we are now aware of facts which suggest that the district court could have jurisdiction if the case arose today, we remand the case to the district court with directions that the district court dismiss this action unless one of the present parties files a complaint or other pleading which properly alleges

---

12. The tribal court's determination is ultimately subject to review in the district court, but unless the federal court determines that the tribal court lacked jurisdiction, the federal court must defer to the tribal court and cannot allow relitigation of issues resolved in the tribal court. *Iowa Mutual Ins. Co. v. LaPlante,* 480 U.S. 9, 19, 107 S.Ct. 971, 978, 94 L.Ed.2d 10 (1987).

jurisdiction. If such a complaint or petition is filed within thirty days of the date of remand, the district court shall proceed to frame and determine the issues in the usual manner.

VI. CONCLUSION

We hold that the district court did not have subject matter jurisdiction over this action. Accordingly, we reverse the district court and remand for appropriate action consistent with this opinion.

REVERSED AND REMANDED.

APPENDIX M — SECOND OMNIBUS ORDER OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA DATED AND DECIDED AUGUST 19, 1992

TAMIAMI PARTNERS, LTD.,

Plaintiff,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant.

CASE NO. 92-0489-CIV-HIGHSMITH

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA

* * *

August 19, 1992, Decided

* * *

SECOND OMNIBUS ORDER

HIGHSMITH, District Judge.

THIS CAUSE came before the Court upon Plaintiff Tamiami Partners Ltd.'s ("Tamiami Partners") Emergency Motion for Order Enjoining Tribe from Exercising Self Help to Terminate Management Contract. On April 7, 1989,

the Miccosukee Tribe of Indians of Florida ("Tribe") entered into a Management and Economic Development Agreement ("Management Agreement") with Tamiami Partners, as authorized by Chapter 29, Title 25, of the United States Code, "Indian Gaming Regulation," *25 U.S.C.A. §§ 2701-21* (West Supp. Pamphlet 1991). Pursuant to the terms of the Management Agreement, Tamiami Partners currently operates a bingo hall ("the gaming enterprise") inside the Tribe's reservation.

On August 9, 1991, the Tribe adopted Ordinance No. 08-09-91, prescribing the licensing process for "primary management officials and key employees" of the gaming enterprise.[1] The ordinance empowers the Chief of Police to conduct

---

1. The Indian Gaming Regulatory Act ("IGRA") states, in pertinent part, that the Chairman of the National Indian Gaming Commission "shall approve any tribal ordinance or resolution concerning the conduct, or regulation of class II gaming [such as bingo] on the Indian lands within the tribe's jurisdiction if such ordinance or resolution" provides, inter alia, an adequate system, which:

> (i) ensures that background investigations are conducted on the primary management officials and key employees of the gaming enterprise and that oversight of such officials and their management is conducted on an ongoing basis; and
>
> (ii) includes —
>
> (I) tribal licenses for primary management officials and key employees of the gaming enterprise with prompt

(Cont'd)

background investigations and to issue temporary permits pending the Tribal Gaming Agency's decision to issue or deny licenses.[2]

In early and mid-July 1992, the Tribal Gaming Agency announced its denial of seventeen applications. Asserting that these mass denials, which it characterizes as self-help, were decimating its work force and impeding its operation of the gaming enterprise, Tamiami Partners filed this emergency motion seeking injunctive relief from the Tribe's licensing process.

(Cont'd)

> notification to the Commission of the issuance of such licenses;
>
> (II) a standard whereby any person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming shall not be eligible for employment; and
>
> (III) notification by the Indian tribe to the Commission of the results of such background check before the issuance of any such licenses.

25 U.S.C.A. § 2710(b)(2)(F) (West Supp. Pamphlet 1991).

2. "Tribal Gaming Agency means the Business Council of the Miccosukee Tribe of Indians of Florida." Ordinance No. 89-09-91 of the Miccosukee Tribe of Indians of Florida Regarding Licensing of Certain Gaming Personnel [hereinafter "Ordinance No. 89-09-91"], Section 2.6.

Appendix M

The Court held an emergency hearing on this matter on Friday, July 24, 1992. After the hearing, the Court issued a temporary injunction pending the Court's review of the Tribe's licensing process. For purposes of this review, the Court held evidentiary hearings on August 4 and 5, 1992. In addition to the oral testimony, the Court has received numerous affidavits, as well as records of the licensing process, which the Tribe filed under seal pursuant to the Court's confidentiality order. The parties have also submitted the following motions and supplemental memoranda:

(1) Supplemental Memorandum in Support of Tamiami Partners, Ltd.'s Motion for Injunctive Relief;

(2) Motion of Miccosukee Tribe for Reconsideration of the Court's July 24, 1992, and Supplemental Memorandum;

(3) Tribe's Post-Hearing Memorandum in Opposition to Extending Emergency Injunction, and Tamiami Partners' Reply;

(4) Tribe's Memorandum Regarding Remedies and Redressability Issues, and Tamiami Partners' Reply;

(5) Tribe's Motion to Dismiss; and

(6) Tribe's Motion to Strike Affidavit of John Sisto and Portions of Affidavit of David Ingenito.[3]

---

3. In its desire to afford each side a fair opportunity to fully present its position in this vigorously contested matter, the Court has examined all the materials submitted for its consideration. Accordingly, the Court denies this motion.

Appendix M

PROCEDURAL BACKGROUND

The Court is very familiar with the ongoing controversy between Tamiami Partners and the Tribe. Upon the filing of this action, Tamiami Partners sought an emergency injunction to compel arbitration, pursuant to the terms of the April 7, 1989 Management Agreement. Tamiami Partners also asked the Court to prevent the Tribe from taking any action to seize or assume control of the gaming enterprise pending arbitration.

Although the Court found that it had jurisdiction over the dispute, the Court chose to abstain from exercising its jurisdiction pending exhaustion of tribal remedies. *Tamiami Partners, Ltd. v. Miccosukee Tribe of Indians, 788 F. Supp. 566, 570 (S.D. Fla. 1992).*[4] Rather than dismissing the action, however, the Court issued a stay, thereby keeping the federal forum readily available should circumstances no longer warrant the Court's abstention. *Id. at 570.* Accordingly, the Court specified that the stay would be automatically lifted upon the occurrence of any of the following events: exhaustion of tribal remedies; use of self-help by the Tribe to evict or otherwise impede Tamiami Partners from operating the gaming enterprise; or the provision of less than two business days' notice to Tamiami Partners of impending action pursuant to a tribal court order. *Id. at 567.*

---

4. One day prior to the commencement of this action, the Tribe had filed a claim in tribal court seeking termination of the Management Agreement and other relief. *Id. at 567 n.3.*

Appendix M

THE PRESENT DISPUTE

As noted above, on August 9, 1991, the Tribe adopted an ordinance for licensing gaming personnel. Although the ordinance became effective August 19, 1991, the formal licensing process of Tamiami Partners' employees did not commence until December 17, 1991.[5] In addition, Tamiami Partners' investors submitted their licensing applications and new employees applied as they were hired. As provided by the licensing ordinance, upon receipt of the applications, the Police Department issued temporary permits to those applicants whose documents appeared to be in order.[6]

On July 3, 1992, the Tribe denied eight license applications. On July 22, 1992, the Tribe denied nine more applications. A review of the Tribe's confidential licensing records reveals that these seventeen denials included: the general manager and program director; the accounting manager; seven out of nine money room clerks; four bingo callers; the maintenance supervisor; and three investors. Contemporaneously with the

---

5. On November 8, 1991, the Executive Director of the National Indian Gaming Commission communicated to the Tribe the results of its informal review of the Tribe's ordinance and application forms. (Exhibit # 2, Defendant's Exhibit List, dated August 7, 1992.) On November 18, 1991, the Tribe posted a notice indicating which employees were required to apply for a gaming license. By November 20, 1991, Tamiami Partners had distributed applications supplied by the Tribe to the employees listed on the notice. On December 17, 1991, through previous arrangements made by Tamiami Partners, over forty Tamiami Partners employees personally submitted their applications to the Tribe's Police Department.

6. Ordinance No. 89-09-91, Section 6.

seventeen denials, the Tribe approved sixteen applications, which, again according to the confidential licensing records, included: the two operations managers; the supervisor of cashiers; a concessions supervisor; a money room clerk; two table games supervisors; four bingo callers; four clerks; and one investor.[7] As of July 24, 1992, fifty-six applications were still pending, including the ninth money room clerk, the controller, an office supervisor, and various other employees and investors.

Tribal Ordinance No. 08-09-91 requires that Tamiami Partners "immediately terminate the employment" of an applicant whose license has been denied.[8] The sudden flurry of license determinations in July, after a seven-month period of inactivity, and the apparent singling-out for denial employees involved in the handling of money, led Tamiami Partners to seek injunctive relief from this Court. Tamiami Partners argued that the Tribe's licensing process constituted a "creative form of self-help" designed to impede Tamiami Partners from operating the gaming enterprise. Tamiami Partners, therefore, prayed that the Court lift its stay, prohibit further license denials, and direct the Tribe to proceed to arbitration on this and other pending disputes.[9]

---

7. Although the Tribe stated at the July 24, 1992 hearing that seventeen applications had been approved, the Court can only find evidence of sixteen approvals from the licensing records. As noted below, on one particular applicant, the Agency reversed its initial approval. This may account for the discrepancy.

8. Ordinance No. 89-09-91, Section 8.2.2(b).

9. Prior to Tamiami Partners' filing of its emergency motion on July 21, 1992, the tribal court had not communicated to Tamiami

(Cont'd)

Appendix M

THE TEMPORARY INJUNCTION

After the emergency hearing held on July 24, 1992, the Court found that, as a result of the Tribe's licensing process, Tamiami Partners' work force had been decimated and that the working environment for Tamiami Partners' present and prospective employees offered little, if any, job security. Because these circumstances were seriously jeopardizing Tamiami Partners' ability to maintain its work force, the Court concluded that the Tribe's licensing process violated the terms of the stay order by impeding Tamiami Partners' operation of the gaming enterprise. Accordingly, the Court lifted its stay and issued a temporary injunction, which prohibited the Tribe from denying any additional license applications, pending the Court's review of the licensing process.[10]

(Cont'd)

Partners any ruling on the claim pending before it. On July 23, 1992, however, Tamiami Partners received by facsimile transmission a copy of the tribal court's order, dated July 16, 1992, directing the parties to initiate arbitration proceedings within thirty days in accordance with the Management Agreement provisions. Miccosukee Tribe of Indians v. Tamiami Partners, Ltd., No. CV. 92-07 (Miccosukee Tribal Court, July 16, 1992).

10. Order on Plaintiff's Emergency Motion, dated July 24, 1992.

Appendix M

THE LICENSING PROCESS

1. Standard of Review:

Because the Tribe conducted the licensing process in avowed compliance with one of the provisions of the Indian Gaming Regulatory Act ("IGRA"), *25 U.S.C.A. § 2710* (West Supp. Pamphlet 1991), the Court views the process as agency action and reviews it under the guidelines of the Administrative Procedure Act ("APA"), *5 U.S.C. § 706*(2) (West 1977). Section 706(2) provides, in pertinent part, that the Court may hold unlawful and "set aside agency action, findings and conclusions found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law."[11]

Judicial review under Section 706 of the APA should be highly deferential to the agency, with a presumption of administrative regularity. *Organized Fishermen v. Hodel, 775 F.2d 1544, 1550 (11th Cir. 1985)*, cert. denied, *476 U.S. 1169, , 90 L. Ed. 2d 978, 106 S. Ct. 2890 (1986)*. Hence, an "arbitrary and capricious" finding requires that the agency:

> Relied on factors which Congress did not intend it to consider, entirely failed to consider an important aspect of the problem, offered an explanation for its decision that runs counter to the evidence before the agency, or [arrived at a

---

11. At the emergency hearing held on July 24, 1992, counsel for the Tribe conceded that the Tribe's licensing decisions were not unfettered and that they were subject to review under an "arbitrary and capricious" standard.

> decision] so implausible that it could not be ascribed to a difference in view or the product of agency expertise.

Id. (citing *Motor Vehicle Mfrs. Ass'n v. State Farm Mut. Auto. Ins. Co., 463 U.S. 29, 43-44 (1983)).* Where an agency engages in disparate treatment of similarly situated persons, a reviewing court may find such action arbitrary and capricious. *Keen Transport, Inc. v. United States, 446 F. Supp. 5, 8 (N.D. Ohio 1976)* (finding "palpably arbitrary and capricious" the Interstate Commerce Commission's "complete disregard of a uniform policy" in processing carriers' applications). See also *Basic Media, Ltd. v. FCC, 182 U.S. App. D.C. 209, 559 F.2d 830, 833 n.2 (D.C. Cir. 1977)* (stressing the need for uniform treatment of similarly situated applicants).

2. The Tribe's criteria for issuing licenses:

As noted earlier, IGRA provides a mechanism for weeding-out persons whose prior record or unsavory reputation would lead to unsuitable, unfair, or illegal class II gaming practices.[12] This provision furthers one of Congress' declared legislative policies in enacting IGRA, namely, "to provide a statutory basis for the regulation of gaming by an Indian tribe adequate to shield it from organized crime and other corrupting influences." *25 U.S.C.A. § 2702*(2) (West Supp. Pamphlet 1991).

As one reason for denial of licenses, therefore, the Tribe's licensing ordinance provides the same unsuitability criteria as IGRA:

---

12. See supra note 1.

Appendix M

> The applicant is a person whose prior activities, including, but not limited to, criminal record, if any, or reputation, habits or associations pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unfair or illegal practices, methods, or activities in the conduct of a gaming enterprise.

Ordinance No. 89-09-91, Section 8.1(a).

The ordinance also provides an alternative basis for license denial, not found in IGRA, where:

> The applicant has failed to comply with the application requirements of Sec. 4.1., or to reveal a fact material to such application, or has furnished any information which is untrue or misleading in connection with such application.

Ordinance No. 89-09-91, Section 8.1.(b).

The application requirements of Section 4.1 include: personal identification; education history; employment history; prior or existing gaming licensing experience; financial statement; military record; arrest record; fingerprints; photograph; applicable fees; authorization and release for background investigation; and such other information that the Tribal Gaming Agency may require. Ordinance No. 89-09-91, Section 4.1.[13]

---

13. In his November 8, 1991 letter to the Tribe, the Executive Director of the National Indian Gaming Commission indicated that, based on his informal review, the information being requested by the Tribe appeared appropriate. (Exhibit #2, Defendant's Exhibit List, dated August 7, 1992.)

Appendix M

3. Application of the "arbitrary and capricious" standard:

In reviewing the Tribe's confidential licensing records, the Court finds that the licensing decisions announced so far meet the arbitrary and capricious standard. Specifically, the Court finds that the Tribe has engaged in disparate treatment of similarly situated individuals, making its proffered explanations for license issuance or denial inconsistent and contradictory. Mindful of the confidential nature of the records, the Court limits itself to pointing out, in general terms, the basis for this conclusion.

Upon reviewing the licensing records, the Court has noted an apparently pre-determined slant that carries through the background summaries, the Chief of Police's recommendations, and the Tribal Gaming Agency's determinations. With one exception, a positive background report resulted in the Chief of Police's recommendation for approval, and the Tribal Gaming Agency's adoption of this recommendation without discussion.[14]

---

14. The exception was a bingo caller classified as a poor credit risk whose driving license had been suspended on three occasion for failure to pay traffic citations. The investigator advised the applicant to seek credit counseling, characterized the credit history as "questionable" and glossed over the license suspensions, concluding that this information would not affect his position as bingo caller. The Chief of Police recommended approval, essentially repeating the investigators findings and conclusions. After approving this applicant, however, the Agency reversed itself upon counsel's advise that such approval could not be limited to the position of bingo caller absent a revision of the application form.

Appendix M

For applicants who received approval, for example, investigators: down played a shoplifting incident by characterizing it as "suspicion of petit larceny;" justified poor credit histories on the basis of divorce, past drug abuse, inability to pay, and desire to pay, even recommending credit counseling to some of the applicants; justified a false claim of high school graduation on the basis that education information did not include high school, even though copies of high school diplomas were required from other applicants; cited as the explanation for an applicant's failure to disclose outstanding debts that the applicant was not aware of such requirement; permitted an applicant to provide further information on his status as a corporate officer; and generally sought out further information from the applicants when such information was missing.

Conversely, investigators' comments in the background summaries of the applicants who were denied licenses bear a negative coloring. In reviewing these records, the Court repeatedly found that investigators seized on conduct or information problems, which had been treated lightly in the approval cases, and turned them into grounds for license denial. The Chief of Police similarly stressed these problems in his report to the Agency. Moreover, in contrast with the approval recommendations, which passed without discussion, the Agency took up and reviewed each of these negative reports individually, again highlighting defects that it had not even bothered to discuss in the approved applications. Investigators, for example: characterized a shoplifting incident as an arrest and booking on the charge of grand theft; found fatal an applicant's failure to disclose debts under her maiden name; did not consider information because the applicant had it entered on the back "of the wrong

page" of an application; afforded an applicant no opportunity to clarify his status as a corporate officer; complained about an applicant's failure to acknowledge misstatements until "confronted by the investigator;" and generally took pains to point out failures to disclose information, quoting the language in the application requiring such information.

A WRONG WITHOUT A REMEDY

Although the Court finds the Tribe's licensing process to be arbitrary and capricious under the APA standards, the Court finds that it would be acting contrary to law if it granted Tamiami Partners the remedy it seeks. The following analysis has led the Court to this conclusion.

Tamiami Partners brought this action to enforce the arbitration provisions of the Management Agreement and to prevent the Tribe from taking any action to seize or assume control of the gaming enterprise pending arbitration. Through its order compelling arbitration, the tribal court has granted Tamiami Partners part of the relief it sought from this Court.[15] The protective relief sought by Tamiami Partners remains available through the Court's stay, rather than dismissal, of this action pending the outcome of arbitration.[16]

---

15. In its July 16, 1992 Order, the tribal court directed the parties to proceed to arbitration. On August 5, 1992, the Tribe notified this Court of its intention to comply with the tribal court order. The tribal court, however, retained jurisdiction over the claim before it, pending the outcome of arbitration, and to hear non-arbitrable claims.

16. In this regard, the Court finds unpersuasive the Tribe's arguments, advanced in its motion to dismiss, that the tribal court's

(Cont'd)

Appendix M

In its efforts to trigger this protective relief, Tamiami Partners has characterized the Tribe's licensing process as "creative self-help." The Court concurred with this depiction when it issued the temporary injunction that has preserved the status quo. Closer scrutiny of the issues involved, however, reveals two serious jurisdictional obstacles that prevent the Court from adopting Tamiami Partners' own creative portrayal of the Tribe's licensing process. These problems are: IGRA's lack of a statutory grant of jurisdiction to the district courts for the purpose of reviewing gaming license determinations; and the Tribe's sovereign immunity, which the Tribe has narrowly waived only for purposes of enforcing the terms of the Management Agreement.

1. IGRA's silence on reviewability of licensing determinations:

A thorough review of the licensing provisions in the Indian Gaming Regulatory Act,[17] its legislative history,[18] and

---

(Cont'd)

acceptance of jurisdiction and arbitration order oust this Court of jurisdiction in this action. As noted in the Omnibus Order, the Court has federal question jurisdiction to review the tribal court's exercise of judicial power over non-Indians. *Tamiami Partners, 788 F. Supp. at 568*. Accordingly, the Court denies the Tribe's motion to dismiss.

17. P.L. 100-497, 102 Stat. 2467 (1988), codified at *25 U.S.C.A. §§ 2701*-21 (West Supp. Pamphlet 1991).

18. S.R. No. 446, 100th Cong., 2nd Sess. (1988), reprinted in 1988 U.S.C.C.A.N. 3071-106.

the proposed federal regulations,[19] convince this Court that Congress did not consider the interests of non-Indian parties who choose to invest in Indian gaming. The purpose of IGRA is to benefit Indian tribes; the purpose of IGRA's licensing provisions is to prevent organized crime and other corrupting influences from infiltrating Indian gaming. Period, full stop. Congress would not have been too far off the mark if it had borrowed the following subtitle for IGRA from Dante's Inferno: "All hope abandon ye who enter here!"[20]

Absent a statutory grant of jurisdiction, the Court finds that it cannot declare unlawful a licensing process that, nevertheless, disturbs its conscience. "The APA does not afford an implied grant of subject-matter jurisdiction permitting federal judicial review of agency action." *Califano v. Sanders, 430 U.S. 99, 107, 51 L. Ed. 2d 192, 97 S. Ct. 980 (1977)*. Moreover, although aggrieved individuals might challenge their license denials on due process grounds after exhaustion of tribal remedies,[21] Tamiami Partners has no standing to contest the denial of licenses to particular individuals.

---

19. National Indian Gaming Commission, *57 Fed. Reg. 30,346 (1992)* (to be codified at 25 C.F.R. §§ 515, 519, 522-24, 556, 558); National Indian Gaming Commission, *57 Fed. Reg. 30,584 (1992)* (to be codified at 25 C.F.R. 571, 573, 575, 577).

20. Dante, Divine Comedy, Inferno, canto III, 1.9, cited in John Bartlett, Familiar Quotations 140 (15th ed. 1980).

21. Ordinance No. 89-09-91, Section 11, provides judicial review of license denials in tribal court. The Court makes no comment on this process, as the individual applicants are not before it.

2. The Tribe's sovereign immunity:

The Court has noted that the Tribe's narrow waiver of its sovereign immunity is limited to enforcement of the terms of the Management Agreement. The Tribe contends that, in conducting the licensing process, the Tribe is acting as a sovereign, and not as a party to the Management Agreement. *Merrion v. Jicarilla Apache Tribe, 455 U.S. 130, 145-46, 71 L. Ed. 2d 21, 102 S. Ct. 894 (1982).* The Court issued the temporary injunction mindful of this distinction, with which it agreed. Nevertheless, relying on a concurring opinion by Justice Stevens, the Court granted Tamiami Partners prospective equitable relief. *Oklahoma Tax Comm'n v. Potawatomi Indian Tribe, 498 U.S. 505, 111 S. Ct. 905, 912-13, 112 L. Ed. 2d 1112 (1991)* (Stevens, J. concurring).

In his Oklahoma Tax Comm'n concurrence, Justice Stevens stated:

> My purpose in writing separately is to emphasize that the Court's holding in effect rejects the argument that this governmental entity — the Tribe — is completely immune from legal process. By addressing the substance of the Tax Commission's claim for prospective injunctive relief against the Tribe, the Court today recognizes that a tribe's sovereign immunity from actions seeking money damages does not necessarily extend to actions seeking equitable relief.

Oklahoma Tax Comm'n, 111 S. Ct. at 913 (Stevens, J. concurring). Id. at 912. The basis for this statement is the

following passage from the majority opinion: "Although the doctrine of tribal sovereign immunity applies to the Potawatomis, that doctrine does not excuse a tribe from all obligations to assist in the collection of validly imposed state sales taxes." Id. at 911. Despite its acknowledgment of this obligation, the majority concluded, however, that Oklahoma could not enforce this obligation through the most efficient remedy, a suit against the Tribe, due to the doctrine of sovereign immunity. Id. at 912.

The Eleventh Amendment bars suits against states in federal courts.[22] A well-established Eleventh Amendment fiction requires a party to bring federal suits against a state official, rather than the state itself. *Ex parte Young, 209 U.S. 123, 52 L. Ed. 714, 28 S. Ct. 441 (1908)*. This legal fiction extends to suits seeking equitable relief. *Alabama v. Pugh, 438 U.S. 781 (1978)* (per curiam) (The issuance of a mandatory injunction against the State of Alabama was barred by the Eleventh Amendment absent Alabama's consent to the filing of such a suit.).

Scholars and jurists have roundly criticized this mirage, as well as other aspects of Eleventh Amendment jurisprudence. See e.g. *Atascadero State Hosp. v. Scanlon, 473 U.S. 234, 247-302, 87 L. Ed. 2d 171, 105 S. Ct. 3142 (1985)* (Brennan, J. dissenting) (presenting an extraordinarily learned historical analysis of Eleventh Amendment doctrine and concluding that the doctrine, as developed, is pernicious). See also *Oklahoma*

---

22. The Eleventh Amendment provides: "The Judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by Citizens of another State, or by Citizens or Subjects of any Foreign State." U.S. Const. amend. XI.

Tax Comm'n, 111 S. Ct. at 912 (Stevens, J. concurring) ("In my opinion, all Governments — federal, state, and tribal — should generally be accountable for their illegal conduct."); *Edelman v. Jordan, 415 U.S. 651, 667 (1974)* ("The difference between the type of relief barred by the Eleventh Amendment and that permitted under Ex parte Young will not in many instances be that between night and day."). Nevertheless, the United States Supreme Court has extended Eleventh Amendment jurisprudence to cases involving Indian tribes, where its fictions are now firmly entrenched. See *Imperial Granite Co. v. Pala Band of Mission Indians, 940 F.2d 1269, 1271 (9th Cir. 1991)* (An Indian tribe's immunity from suit "extends to suits for declaratory and injunctive relief.") (citing *Santa Clara Pueblo v. Martinez, 436 U.S. 49, 58 (1978))*; *Potawatomi Indian Tribe v. Oklahoma Tax Comm'n, 1992 WL 160190*, at *3 (10th Cir. July 14, 1992) (Stating, on remand from the United States Supreme Court, that the "Supreme Court's opinion does not permit the Tax Commission to enforce the Tribe's legal obligation through the federal courts.")

Tamiami Partners' forceful argument that the Tribe, the Tribal Gaming Agency, and Tribal officers are one and the same entity with one and the same goal — to oust Tamiami Partners from the gaming enterprise — partakes of the realism found in Justice Stevens and Justice Brennan's opinions. The weight of precedent, however, does not permit this Court to sponsor this assessment. Therefore, having found that the Tribe's narrow waiver of sovereign immunity does not extend to its licensing process, the Court concludes that the Tribe has not consented to federal suits relating to this process. Absent the Tribe's consent, the Court lacks jurisdiction to issue injunctive relief against the Tribe's

licensing process in this action. Accordingly, the Court vacates its temporary injunction and denies Tamiami Partner's emergency motion for a preliminary injunction.

CONCLUSION

Based on the foregoing considerations, it is hereby

ORDERED AND ADJUDGED that:

(1) The Motion of Miccosukee Tribe for Reconsideration of the Court's July 24, 1992, and Supplemental Memorandum is GRANTED;

(2) The Court's TEMPORARY INJUNCTION prohibiting the Tribe from denying the license applications of Tamiami Partners employees is VACATED;

(3) Tamiami Partners' Emergency Motion for Order Enjoining Tribe from Exercising Self Help to Terminate Management Contract and Supplemental Memorandum in Support of Tamiami Partners, Ltd.'s Motion for Injunctive Relief are DENIED;

(4) The Tribe's Motion to Dismiss is DENIED;

(5) The Tribe's Motion to Strike Affidavit of John Sisto and Portions of Affidavit of David Ingenito is DENIED; and

(6) This action is STAYED subject to the terms of the Court's Omnibus Order, dated March 5, 1992.

Appendix M

DONE AND ORDERED in Chambers, at Miami, Dade County, Florida, this 19th day of August, 1992.

SHELBY HIGHSMITH

UNITED STATES DISTRICT JUDGE

APPENDIX N — OMNIBUS ORDER OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA DATED AND DECIDED MARCH 5, 1992

TAMIAMI PARTNERS, LTD.,

Plaintiff,

v.

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant.

CASE NO. 92-0489-CIV-HIGHSMITH

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA

March 5, 1992, Decided

* * *

OMNIBUS ORDER

THIS CAUSE came before the Court upon Tamiami Partners Ltd.'s ("Tamiami Partners") Motion for Preliminary Injunction to compel arbitration, pursuant to the terms of a management agreement between Tamiami Partners and the Miccosukee Tribe of Indians of Florida ("Tribe") for the operation of the Tribe's gaming establishment; and to stay the Tribe from impeding Tamiami Partners' operation of the gaming facilities. The Court held a hearing on Friday,

February 28, 1992, which was recessed until the following Monday, March 2, 1992. Pending resumption of the hearing, the Court issued a Temporary Restraining Order maintaining the status quo.[1] At the conclusion of the second hearing, the Court continued the Temporary Restraining Order until rendition of this order.[2]

Prior to resumption of the hearing on March 2, 1992, the Tribe filed a memorandum of law in opposition to the motion for preliminary injunction, and moved to dismiss the complaint. Tamiami Partners opposed the motion to dismiss, and also moved to strike all factual assertions proffered by the Tribe in its memoranda.

For the reasons more fully stated below, it is hereby

ORDERED AND ADJUDGED that

(1) The Temporary Restraining Order, dated February 28, 1992 is VACATED;

(2) Tamiami Partners' Motion for Preliminary Injunction is DENIED;

(3) The Tribe's Motion to Dismiss is DENIED;

(4) Tamiami Partners' Motion to Strike is DENIED as moot; and

---

1. Transcript of Proceedings on February 28, 1992, at 31-32. See Temporary Restraining Order, dated February 28, 1992.

2. Transcript of Proceedings on March 2, 1992, at 64.

(5) This action is STAYED. The stay will be automatically lifted upon the occurrence of any one of the following events:

i. Exhaustion of tribal remedies, as more fully explained below.

ii. Self-help on the part of the Tribe to evict or otherwise impede Tamiami Partners from operating the gaming enterprise.

iii. Failure on the part of the Tribe to provide Tamiami Partners with two (2) business days' notice, prior to taking any action pursuant to a Tribal Court order.

FACTUAL BACKGROUND

Defendant Miccosukee Tribe of Indians of Florida ("Tribe") is a federally recognized tribe of Indians. (Verified Complaint, at P3.) As such, the Tribe may establish gaming activities on its lands, pursuant to Chapter 29, Title 25, of the United States Code, "Indian Gaming Regulation." *25 U.S.C.A. §§2701-21* (West Supp. Pamphlet 1991). The gaming regulation statutes, moreover, permit tribes to enter into management contracts for the operation of "class II gaming" activities. *25 U.S.C.A. §2711* (West Supp. Pamphlet 1991). These class II gaming activities include bingo, and similar games, such as "pull-tabs, lotto, punch boards, tip jars, and instant bingo." *25 U.S.C.A. §2703* (7) (West Supp. Pamphlet 1991).

In accordance with such federal authorization, the Tribe entered into a Management and Economic Development

Agreement ("Agreement") with Tamiami Partners on April 7, 1989. (Verified Complaint, Exhibit 1). Pursuant to the terms of the Agreement, Tamiami Partners currently operates a bingo hall ("the Enterprise") inside the Tribe's reservation. (Verified Complaint, at P7).

On January 28, 1992, the Tribe notified Tamiami Partners by letter that, "effective 30 days from the date hereof," the Agreement was terminated. (Verified Complaint, Exhibit 2, at 1.) Tamiami Partners responded to the Tribe's letter on February 4, 1992, disputing all of the Tribe's grounds for termination, and concluding that Tamiami Partners considered the "purported termination a nullity." (Verified Complaint, Exhibit 3, at 5.) The Tribe acknowledged receipt of this response on February 11, 1992, but reasserted its position that "the Notice of Termination is operative and this Agreement will terminate on February 28, 1992." (Verified Complaint, Exhibit 4, at 1.) On February 25, 1992, Tamiami Partners made a formal demand for arbitration to determine the validity of the Tribe's termination notice, pursuant to the Agreement's arbitration clause. (Verified Complaint, Exhibit 5, at 1.) Article 12 of the Agreement, entitled "Disputes — Arbitration," provides, in pertinent part: "All disputes, controversies and/or claims arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration, as set forth in this Article 12." (Verified Complaint, Exhibit 1, at 30.) Tamiami Partners also requested that the Tribe respond to its arbitration demand by noon, February 26, 1992 and indicated that, absent such response, it would assume the Tribe's reply to be negative. (Verified Complaint, Exhibit 5, at 2.) The Tribe did not respond, filing instead a "Statement of

Claim" in the Miccosukee Tribal Court. (Verified Complaint, Exhibit 6.)[3] Tamiami Partners, in turn, filed the above-styled case on February 27, 1992.[4]

FEDERAL QUESTION JURISDICTION

Tamiami Partners invokes this Court's federal question jurisdiction, pursuant to *28 U.S.C.A. §1331* (West 1966 & Supp. 1991).[5] As more fully discussed below, this case requires that the Court construe an agreement between Indians and non-Indians that includes a limited waiver of sovereign immunity by the Tribe; and that, on its face, provides for arbitration of all disputes arising from the agreement. The Court must interpret these contractual provisions to determine whether it should compel arbitration,

---

3. The tribal court claim is an action for declaratory and injunctive relief. (Verified Complaint, Exhibit 6, at 1.) It prays for an order declaring that the Agreement is terminated; directing that the Tribe assume control of the Enterprise; enjoining Tamiami Partners from interfering with such assumption; directing tribal police to enforce the order; and granting attorneys' fees and costs. *Id.* at 16.

4. Tamiami Partners' Verified Complaint prays for the entry of a declaratory judgment, holding that the Tribe is bound by the Agreement's arbitration clause; and for an injunction compelling arbitration and enjoining the Tribe from taking any action to seize or assume control of the Enterprise pending arbitration. (Verified Complaint, at 8-9.)

5. Section 1331 provides: "The district courts shall have original jurisdiction of all civil actions arising under the Constitution, laws, or treaties of the United States." *Id.*

thereby enjoining prosecution of a claim filed by the Tribe in tribal court. The case therefore, presents a federal common law question — the exercise of Tribal Court judicial power over non-Indians. *National Farmers Union Ins. Co. v. Crow Tribe of Indians, 471 U.S. 845, 852, 85 L. Ed. 2d 818, 105 S. Ct. 2447 (1985)* ("The question whether an Indian tribe retains the power to compel a non-Indian property owner to submit to the civil jurisdiction of a tribal court is one that must be answered by reference to federal law and is a 'federal question' under §1331.")

THE TRIBE'S SOVEREIGN IMMUNITY

Having established that it has subject matter jurisdiction, the Court must next address the threshold issue of the Tribe's sovereign immunity. "Indian tribes are 'domestic dependent nations,' which exercise inherent sovereign authority over their members and territories." *Oklahoma Tax Comm'n v. Potawatomi Indian Tribe, 112 L. Ed. 2d 1112, 111 S. Ct. 905, 909 (1991)* (citing *Cherokee Nation v. Georgia, 30 U.S. (5 Pet.) 1, 8 L. Ed. 25 (1831))*. "Suits against Indian tribes are thus barred by sovereign immunity absent a clear waiver by the tribe or congressional abrogation." *Oklahoma Tax Comm'n, 111 S. Ct. at 909* (citing *Santa Clara Pueblo v. Martinez, 436 U.S. 49, 58, 56 L. Ed. 2d 106, 98 S. Ct. 1670 (1978))*. See also *Maryland Casualty Co. v. Citizens Nat'l Bank, 361 F.2d 517* (5th Cir.), cert. denied, *385 U.S. 918, 87 S. Ct. 227, 17 L. Ed. 2d 143 (1966)* ("Indian nations, as an attribute of their quasi-sovereignty, are immune from suit, either in the federal or state courts, without Congressional authorization.") (citations omitted).

Appendix N

In Article 23 of the Agreement, the Tribe, denominated "Owner" in the Agreement, waives its sovereign immunity from suit, subject to the following limitations:

> The United States District Court for the Southern District of Florida, shall have jurisdiction over the parties hereto in order to enforce the terms hereof specifically, upon one or both of the following events (i) Owner fails to participate in an arbitration proceeding invoked as provided in Article 12 [the arbitration clause], or (ii) failure by Owner to abide by the terms of an arbitration award. . . . This waiver of sovereign immunity shall not become effective until Manager [Tamiami Partners] has given notice to the Miccosukee Tribal Business Council, detailing the nature of the complaint and the Owner shall have failed after 30 days following such notice to cure such complaint.

(Verified Complaint, Exhibit 1, at 43.) This waiver clause is clear and unambiguous. Pursuant to Oklahoma Tax Comm'n, therefore, the clause effectively waives the Tribe's sovereign immunity, subject to the stated conditions. The first condition that applies to this case is met by the Tribe's failure to participate in an arbitration proceeding invoked by Tamiami Partners in their letter dated February 25, 1992.[6] By filing a

---

6. At the hearing held in this matter, counsel for the Tribe stated its position that the language of the arbitration clause does not encompass termination. (Transcript of Proceedings on Monday, March 2, 1992, at 5). The Court finds, however, that the plain (Cont'd)

claim in Tribal Court only one day after this arbitration demand, the Tribe effectively rejected the orderly arbitration proceedings contemplated by the Agreement.[7]

The second condition precedent to the waiver of sovereign immunity is the thirty-day cure notice provision, which Tamiami Partners concedes it has not fulfilled.[8] Conditions precedent require substantial performance. *Goodwin v. Jacksonville Gas Corp., 302 F.2d 355 (5th Cir. 1962)*. Because the Tribe had already issued its own thirty day termination notice, which Tamiami Partners alleges constitutes a breach of the Agreement, however, Tamiami Partners' compliance with the thirty-day cure notice provision, asking the Tribe not to terminate the agreement, would have served no purpose. *Solitron Devices v. Honeywell, Inc., 842 F.2d 274 (11th Cir. 1988)* (Where a contract has already been terminated by the party allegedly in breach, the suing party's compliance or lack of compliance with a termination clause is irrelevant.).

(Cont'd)
language of the arbitration clause, which includes disputes over breach of the Agreement, does encompass an allegedly wrongful termination.

7. Nothing transpired in the hearings that would indicate to this Court the Tribe's willingness to voluntarily engage in the arbitration process contemplated by the Agreement.

8. Transcript of Proceedings on Friday, February 28, 1992, at 12. The Tribe's position, as stated by counsel on the second day of the hearing, is that they regard the service of the Verified Complaint in this action to constitute cure notice required by Article 23 of the Agreement. (Transcript of Proceedings on Monday March 2, 1992, at 8).

Therefore the Court finds that the Tribe's actions — issuing a thirty-day termination notice and bypassing the arbitration process for recourse to Tribal Court — resulted in a waiver of strict compliance with the thirty-day cure notice provision. The Tribe, therefore, has effectively waived its sovereign immunity and is subject to the jurisdiction of this Court, pursuant to Article 23 of the Agreement.

EXHAUSTION OF TRIBAL REMEDIES

Despite the operation of Article 23 of the Agreement, waiving the Tribe's sovereign immunity, the Court must next consider the propriety of abstaining from exercising its jurisdiction, in light of the doctrine of exhaustion of tribal remedies. The United States Supreme Court has developed this doctrine to further the longstanding federal policy of encouraging tribal self-government, in which tribal courts play a vital role. *Iowa Mut. Ins. v. LaPlante, 480 U.S. 9, 14, 94 L. Ed. 2d 10, 107 S. Ct. 971 (1987)*. See also *National Farmers Union, 471 U.S. at 857* ("Exhaustion of tribal court remedies, moreover, will encourage tribal courts to explain to the parties the precise basis for accepting jurisdiction, and will also provide other courts with the benefit of their expertise in such matters in the event of further judicial review.")

By abstaining from exercising its jurisdiction at this juncture and permitting the Miccosukee Tribal Court to determine its own jurisdiction over this dispute, which arises over non-Indian gaming activities on the Tribe's reservation, the Court would be furthering these federal policies. *Iowa Mut., 480 U.S. at 18* ("Tribal authority over the activities of non-Indians on reservation

lands is an important part of tribal sovereignty. Civil jurisdiction over such activities presumptively lies in the tribal court unless affirmatively limited by a specific treaty provision or federal statute.") (citations omitted). Moreover, abstention would also further the Congressional policy of the federal statute that permits the Agreement underlying this action. *25 U.S.C.A. §2702*(3) (West Supp. Pamphlet 1991).[9]

STAY OF FEDERAL ACTION

In light of these federal objectives, therefore, the Court chooses to abstain from exercising its jurisdiction, pending exhaustion of tribal remedies. The Court emphasizes, however, that application of the exhaustion doctrine does not deprive it of subject-matter jurisdiction. *Iowa Mut., 480 U.S. at 16 n.8* ("Exhaustion is required as a matter of comity, not as a jurisdictional prerequisite.") (citing *Colorado River Water Conservation Dist. v. United States, 424 U.S. 800, 47 L. Ed. 2d 483, 96 S. Ct. 1236 (1976)).*

Rather than dismiss the federal action, therefore, the Court chooses to stay it. *National Farmers Union, 471 U.S. at 857* ("Whether the federal action should be dismissed, or merely held in abeyance pending the development of further Tribal Court proceedings, is a question that should be addressed in the first instance by the District Court."). Moreover, a stay of the federal

---

9. Section 2702, the Congressional declaration of policy for Chapter 29, states that the purpose of the chapter is, *inter alia*, "to provide a statutory basis for the operation of gaming by Indian tribes as a means of promoting tribal economic development, self-sufficiency, and strong tribal governments." *Id.*

action is preferable to a dismissal, in order to keep the federal forum readily available if warranted by "a significant change of circumstances." *Northern Cheyenne Tribe v. Adsit, 721 F.2d 1187, 1188 (9th Cir. 1983)* (citing *Kaiser Steel Corp. v. W.S. Ranch Co., 391 U.S. 593, 594, 20 L. Ed. 2d 835, 88 S. Ct. 1753 (1968))*. Against the contingency that such a change in circumstances may arise, therefore, the stay will be automatically lifted upon exhaustion of tribal remedies, upon the use of self-help by the Tribe, or upon the provision of less than two business days' notice to Tamiami Partners of impending action pursuant to a Tribal Court order.

CONCLUSION

This Court finds that it has jurisdiction over the subject matter and the parties in this case. In deference to the federal common law doctrine of exhaustion of tribal remedies, however, the Court chooses to stay this action, subject to the terms outlined above.

DONE AND ORDERED in Chambers, at Miami, Dade County, Florida, this 5th day of March, 1992.

SHELBY HIGHSMITH

UNITED STATES DISTRICT JUDGE

APPENDIX O — ORDER OF THE UNITED STATES COURT OF APPEALS DENYING PETITION(S) FOR REHEARING EN BANC FILED JUNE 24, 2002

IN THE UNITED STATES COURT OF APPEALS FOR THE ELEVENTH CIRCUIT

No. 01-12356-GG & 01-13736-GG

TAMIAMI PARTNERS, LIMITED,

Plaintiff-Counter Defendant-Appellee,

versus

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Defendant-Counter Claimant-Appellant,

BUSINESS COUNCIL OF THE MICCOSUKEE TRIBE OF INDIANS, MICCOSUKEE TRIBAL GAMING AGENCY, MICCOSUKEE TRIBAL COURT, et al.,

Defendants.

On Appeal from the United States District Court for the Southern District of Florida

ON PETITION(S) FOR REHEARING AND PETITION(S) FOR REHEARING EN BANC

(Opinion _____, 11th Cir., 19__, _____ F.2d _____).

Appendix O

Before: BLACK and RONEY, Circuit Judges, and RESTANI*, Judge.

PER CURIAM:

The Petition(s) for Rehearing are DENIED and no Judge in regular active service on the Court having requested that the Court be polled on rehearing en banc (Rule 35, Federal Rules of Appellate Procedure), the Petition(s) for Rehearing En Banc are DENIED.

ENTERED FOR THE COURT:

s/ Paul H. Roney
UNITED STATES CIRCUIT JUDGE

---

*Honorable Jane A. Restani, Judge, U.S. Court of International Trade, sitting by designation.

APPENDIX P — RELEVANT STATUTE, 25 U.S.C. § 2701, *et seq.*

25 U.S.C.S. § 2701 (1999)

§ 2701. Findings

The Congress finds that —

(1) numerous Indian tribes have become engaged in or have licensed gaming activities on Indian lands as a means of generating tribal governmental revenue;

(2) Federal courts have held that section 2103 of the Revised Statutes *(25 U.S.C. 81)* requires Secretarial review of management contracts dealing with Indian gaming, but does not provide standards for approval of such contracts;

(3) existing Federal law does not provide clear standards or regulations for the conduct of gaming on Indian lands;

(4) a principal goal of Federal Indian policy is to promote tribal economic development, tribal self-sufficiency, and strong tribal government; and

(5) Indian tribes have the exclusive right to regulate gaming activity on Indian lands if the gaming activity is not specifically prohibited by Federal law and is conducted within a State which does not, as a matter of criminal law and public policy, prohibit such gaming activity.

* * *

Appendix P

25 U.S.C.S. § 2702

§ 2702. Declaration of policy

The purpose of this Act is —

(1) to provide a statutory basis for the operation of gaming by Indian tribes as a means of promoting tribal economic development, self-sufficiency, and strong tribal governments;

(2) to provide a statutory basis for the regulation of gaming by an Indian tribe adequate to shield it from organized crime and other corrupting influences, to ensure that the Indian tribe is the primary beneficiary of the gaming operation, and to assure that gaming is conducted fairly and honestly by both the operator and players; and

(3) to declare that the establishment of independent Federal regulatory authority for gaming on Indian lands, the establishment of Federal standards for gaming on Indian lands, and the establishment of a National Indian Gaming Commission are necessary to meet congressional concerns regarding gaming and to protect such gaming as a means of generating tribal revenue.

* * *

Appendix P

25 U.S.C.S. § 2710

§ 2710. Tribal gaming ordinances

(a) Jurisdiction over class I and class II gaming activity.

(1) Class I gaming on Indian lands is within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this Act.

(2) Any class II gaming on Indian lands shall continue to be within the jurisdiction of the Indian tribes, but shall be subject to the provisions of this Act.

(b) Regulation of class II gaming activity; net revenue allocation; audits; contracts.

(1) An Indian tribe may engage in, or license and regulate, class II gaming on Indian lands within such tribe's jurisdiction, if—

> (A) such Indian gaming is located within a State that permits such gaming for any purpose by any person, organization or entity (and such gaming is not otherwise specifically prohibited on Indian lands by Federal law), and
>
> (B) the governing body of the Indian tribe adopts an ordinance or resolution which is approved by the Chairman.

Appendix P

A separate license issued by the Indian tribe shall be required for each place, facility, or location on Indian lands at which class II gaming is conducted.

(2) The Chairman shall approve any tribal ordinance or resolution concerning the conduct, or regulation of class II gaming on the Indian lands within the tribe's jurisdiction if such ordinance or resolution provides that —

(A) except as provided in paragraph (4), the Indian tribe will have the sole proprietary interest and responsibility for the conduct of any gaming activity;

(B) net revenues from any tribal gaming are not to be used for purposes other than —

(i) to fund tribal government operations or programs;

(ii) to provide for the general welfare of the Indian tribe and its members;

(iii) to promote tribal economic development;

(iv) to donate to charitable organizations; or

(v) to help fund operations of local government agencies;

(C) annual outside audits of the gaming, which may be encompassed within existing independent tribal audit systems, will be provided by the Indian tribe to the Commission;

(D) all contracts for supplies, services, or concessions for a contract amount in excess of $25,000 annually (except contracts for professional legal or accounting services) relating to such gaming shall be subject to such independent audits;

(E) the construction and maintenance of the gaming facility, and the operation of that gaming is conducted in a manner which adequately protects the environment and the public health and safety; and

(F) there is an adequate system which —

(i) ensures that background investigations are conducted on the primary management officials and key employees of the gaming enterprise and that oversight of such officials and their management is conducted on an ongoing basis; and

(ii) includes —

(I) tribal licenses for primary management officials and key employees of the gaming enterprise with prompt

notification to the Commission of the issuance of such licenses;

(II) a standard whereby any person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming shall not be eligible for employment; and

(III) notification by the Indian tribe to the Commission of the results of such background check before the issuance of any of such licenses.

(3) Net revenues from any class II gaming activities conducted or licensed by any Indian tribe may be used to make per capita payments to members of the Indian tribe only if—

(A) the Indian tribe has prepared a plan to allocate revenues to uses authorized by paragraph (2)(B);

(B) the plan is approved by the Secretary as adequate, particularly with respect to uses described in clause (i) or (iii) of paragraph (2)(B);

(C) the interests of minors and other legally incompetent persons who are entitled to receive any of the per capita payments are protected and preserved and the per capita payments are disbursed to the parents or legal guardian of such minors or legal incompetents in such amounts as may be necessary for the health, education, or welfare, of the minor or other legally incompetent person under a plan approved by the Secretary and the governing body of the Indian tribe; and

(D) the per capita payments are subject to Federal taxation and tribes notify members of such tax liability when payments are made.

(4)(A) A tribal ordinance or resolution may provide for the licensing or regulation of class II gaming activities owned by any person or entity other than the Indian tribe and conducted on Indian lands, only if the tribal licensing requirements include the requirements described in the subclauses of subparagraph (B)(i) and are at least as restrictive as those established by State law governing similar gaming within the jurisdiction of the State within which such Indian lands are located. No person or entity, other than the Indian tribe, shall be eligible to receive a tribal license to own a class II gaming activity conducted on Indian lands within the jurisdiction of the Indian tribe if such person or entity would not be eligible to receive a State license to conduct the same activity within the jurisdiction of the State.

Appendix P

(B)(i) The provisions of subparagraph (A) of this paragraph and the provisions of subparagraphs (A) and (B) of paragraph (2) shall not bar the continued operation of an individually owned class II gaming operation that was operating on September 1, 1986, if—

> (I) such gaming operation is licensed and regulated by an Indian tribe pursuant to an ordinance reviewed and approved by the Commission in accordance with section 13 of the Act [*25 USCS § 2712*],
>
> (II) income to the Indian tribe from such gaming is used only for the purposes described in paragraph (2)(B) of this subsection,
>
> (III) not less than 60 percent of the net revenues is income to the Indian tribe, and
>
> (IV) the owner of such gaming operation pays an appropriate assessment to the National Indian Gaming Commission under section 18(a)(1) [*25 USCS § 2717*(a)(1)] for regulation of such gaming.

(ii) The exemption from the application of this subsection provided under this subparagraph may not be transferred to any person or entity and shall remain in effect only so long as the gaming activity remains within the same nature and scope as operated on the date of enactment of this Act [enacted Oct. 17, 1988].

(iii) Within sixty days of the date of enactment of this Act [enacted Oct. 17, 1988], the Secretary shall prepare a list of each individually owned gaming operation to which clause (i) applies and shall publish such list in the Federal Register.

(c) Issuance of gaming license; certificate of self-regulation

(1) The Commission may consult with appropriate law enforcement officials concerning gaming licenses issued by an Indian tribe and shall have thirty days to notify the Indian tribe of any objections to issuance of such license.

(2) If, after the issuance of a gaming license by an Indian tribe, reliable information is received from the Commission indicating that a primary management official or key employee does not meet the standard established under subsection (b)(2)(F)(ii)(II), the Indian tribe shall suspend such license and, after notice and hearing, may revoke such license.

Appendix P

(3) Any Indian tribe which operates a class II gaming activity and which —

(A) has continuously conducted such activity for a period of not less than three years, including at least one year after the date of the enactment of this Act [enacted Oct. 17, 1988]; and

(B) has otherwise complied with the provisions of this section[,] may petition the Commission for a certificate of self-regulation.

(4) The Commission shall issue a certificate of self-regulation if it determines from available information, and after a hearing if requested by the tribe, that the tribe has —

(A) conducted its gaming activity in a manner which —

(i) has resulted in an effective and honest accounting of all revenues;

(ii) has resulted in a reputation for safe, fair, and honest operation of the activity; and

(iii) has been generally free of evidence of criminal or dishonest activity;

(B) adopted and is implementing adequate systems for —

(i) accounting for all revenues from the activity;

(ii) investigation, licensing, and monitoring of all employees of the gaming activity; and

(iii) investigation, enforcement and prosecution of violations of its gaming ordinance and regulations; and

(C) conducted the operation on a fiscally and economically sound basis.

(5) During any year in which a tribe has a certificate for self-regulation —

(A) the tribe shall not be subject to the provisions of paragraphs (1), (2), (3), and (4) of section 7(b) [*25 USCS § 2706*(b)(1)-(4)];

(B) the tribe shall continue to submit an annual independent audit as required by section 11(b)(2)(C) [*25 USCS § 2710*(b)(2)(C)] and shall submit to the Commission a complete resume on all employees hired and licensed by the tribe subsequent to the issuance of a certificate of self-regulation; and

(C) the Commission may not assess a fee on such activity pursuant to section 18 [*25 USCS § 2717*] in excess of one quarter of 1 per centum of the gross revenue.

Appendix P

(6) The Commission may, for just cause and after an opportunity for a hearing, remove a certificate of self-regulation by majority vote of its members.

* * *

Appendix P

25 U.S.C.S. § 2711

§ 2711. Management contracts

(a) Class II gaming activity; information on operators.

(1) Subject to the approval of the Chairman, an Indian tribe may enter into a management contract for the operation and management of a class II gaming activity that the Indian tribe may engage in under section 11(b)(1) [*25 USCS § 2710*(b)(1)], but, before approving such contract, the Chairman shall require and obtain the following information:

(A) the name, address, and other additional pertinent background information on each person or entity (including individuals comprising such entity) having a direct financial interest in, or management responsibility for, such contract, and, in the case of a corporation, those individuals who serve on the board of directors of such corporation and each of its stockholders who hold (directly or indirectly) 10 percent or more of its issued and outstanding stock;

(B) a description of any previous experience that each person listed pursuant to subparagraph (A) has had with other gaming contracts with Indian tribes or with the gaming industry generally, including specifically the name and address of any licensing or regulatory agency with which such person has had a contract relating to gaming; and

(C) a complete financial statement of each person listed pursuant to subparagraph (A).

(2) Any person listed pursuant to paragraph (1)(A) shall be required to respond to such written or oral questions that the Chairman may propound in accordance with his responsibilities under this section.

(3) For purposes of this Act, any reference to the management contract described in paragraph (1) shall be considered to include all collateral agreements to such contract that relate to the gaming activity.

(b) Approval. The Chairman may approve any management contract entered into pursuant to this section only if he determines that it provides at least —

(1) for adequate accounting procedures that are maintained, and for verifiable financial reports that are prepared, by or for the tribal governing body on a monthly basis;

(2) for access to the daily operations of the gaming to appropriate tribal officials who shall also have a right to verify the daily gross revenues and income made from any such tribal gaming activity;

(3) for a minimum guaranteed payment to the Indian tribe that has preference over the retirement of development and construction costs;

(4) for an agreed ceiling for the repayment of development and construction costs;

(5) for a contract term not to exceed five years, except that, upon the request of an Indian tribe, the Chairman may authorize a contract term that exceeds five years but does not exceed seven years if the Chairman is satisfied that the capital investment required, and the income projections, for the particular gaming activity require the additional time; and

(6) for grounds and mechanisms for terminating such contract, but actual contract termination shall not require the approval of the Commission.

(c) Fee based on percentage of net revenues

(1) The Chairman may approve a management contract providing for a fee based upon a percentage of the net revenues of a tribal gaming activity if the Chairman determines that such percentage fee is reasonable in light of surrounding circumstances. Except as otherwise provided in this subsection, such fee shall not exceed 30 percent of the net revenues.

(2) Upon the request of an Indian tribe, the Chairman may approve a management contract providing for a fee based upon a percentage of the net revenues of a tribal gaming activity that exceeds 30 percent but not 40 percent of the net revenues if the Chairman is satisfied that the capital investment required, and income projections, for such tribal gaming activity require the additional fee requested by the Indian tribe.

(d) Period for approval; extension. By no later than the date that is 180 days after the date on which a management contract is submitted to the Chairman for approval, the Chairman shall approve or disapprove such contract on its merits. The Chairman

may extend the 180-day period by not more than 90 days if the Chairman notifies the Indian tribe in writing of the reason for the extension. The Indian tribe may bring an action in a United States district court to compel action by the Chairman if a contract has not been approved or disapproved within the period required by this subsection.

(e) Disapproval. The Chairman shall not approve any contract if the Chairman determines that —

(1) any person listed pursuant to subsection (a)(1)(A) of this section —

(A) is an elected member of the governing body of the Indian tribe which is the party to the management contract;

(B) has been or subsequently is convicted of any felony or gaming offense;

(C) has knowingly and willfully provided materially important false statements or information to the Commission or the Indian tribe pursuant to this Act or has refused to respond to questions propounded pursuant to subsection (a)(2); or

(D) has been determined to be a person whose prior activities, criminal record if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and

activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto;

(2) the management contractor has, or has attempted to, unduly interfere or influence for its gain or advantage any decision or process of tribal government relating to the gaming activity;

(3) the management contractor has deliberately or substantially failed to comply with the terms of the management contract or the tribal gaming ordinance or resolution adopted and approved pursuant to this Act; or

(4) a trustee, exercising the skill and diligence that a trustee is commonly held to, would not approve the contract.

(f) Modification or voiding. The Chairman, after notice and hearing, shall have the authority to require appropriate contract modifications or may void any contract if he subsequently determines that any of the provisions of this section have been violated.

(g) Interest in land. No management contract for the operation and management of a gaming activity regulated by this Act shall transfer or, in any other manner, convey any interest in land or other real property, unless specific statutory authority exists and unless clearly specified in writing in said contract.

(h) Authority. The authority of the Secretary under section 2103 of the Revised Statutes *(25 U.S.C. 81)*, relating to management contracts regulated pursuant to this Act, is hereby transferred to the Commission.

Appendix P

(i) Investigation fee. The Commission shall require a potential contractor to pay a fee to cover the cost of the investigation necessary to reach a determination required in subsection (e) of this section.

* * * *

APPENDIX Q — RELEVANT STATUTE, 9 U.S.C. § 1, *et seq.*

9 U.S.C.A. § 1

§ 1. "Maritime transactions" and "commerce" defined; exceptions to operation of title

"Maritime transactions", as herein defined, means charter parties, bills of lading of water carriers, agreements relating to wharfage, supplies furnished vessels or repairs to vessels, collisions, or any other matters in foreign commerce which, if the subject of controversy, would be embraced within admiralty jurisdiction; "commerce", as herein defined, means commerce among the several States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or between any such Territory and another, or between any such Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation, but nothing herein contained shall apply to contracts of employment of seamen, railroad employees, or any other class of workers engaged in foreign or interstate commerce.

* * *

Appendix Q

9 U.S.C.A. § 2

§ 2. Validity, irrevocability, and enforcement of agreements to arbitrate

A written provision in any maritime transaction or a contract evidencing a transaction involving commerce to settle by arbitration a controversy thereafter arising out of such contract or transaction, or the refusal to perform the whole or any part thereof, or an agreement in writing to submit to arbitration an existing controversy arising out of such a contract, transaction, or refusal, shall be valid, irrevocable, and enforceable, save upon such grounds as exist at law or in equity for the revocation of any contract.

* * *

Appendix Q

9 U.S.C.A. § 3

§ 3. Stay of proceedings where issue therein referable to arbitration

If any suit or proceeding be brought in any of the courts of the United States upon any issue referable to arbitration under an agreement in writing for such arbitration, the court in which such suit is pending, upon being satisfied that the issue involved in such suit or proceeding is referable to arbitration under such an agreement, shall on application of one of the parties stay the trial of the action until such arbitration has been had in accordance with the terms of the agreement, providing the applicant for the stay is not in default in proceeding with such arbitration.

* * *

Appendix Q

9 U.S.C.A. § 4

§ 4. Failure to arbitrate under agreement; petition to United States court having jurisdiction for order to compel arbitration; notice and service thereof; hearing and determination

A party aggrieved by the alleged failure, neglect, or refusal of another to arbitrate under a written agreement for arbitration may petition any United States district court which, save for such agreement, would have jurisdiction under Title 28, in a civil action or in admiralty of the subject matter of a suit arising out of the controversy between the parties, for an order directing that such arbitration proceed in the manner provided for in such agreement. Five days' notice in writing of such application shall be served upon the party in default. Service thereof shall be made in the manner provided by the Federal Rules of Civil Procedure. The court shall hear the parties, and upon being satisfied that the making of the agreement for arbitration or the failure to comply therewith is not in issue, the court shall make an order directing the parties to proceed to arbitration in accordance with the terms of the agreement. The hearing and proceedings, under such agreement, shall be within the district in which the petition for an order directing such arbitration is filed. If the making of the arbitration agreement or the failure, neglect, or refusal to perform the same be in issue, the court shall proceed summarily to the trial thereof. If no jury trial be demanded by the party alleged to be in default,

or if the matter in dispute is within admiralty jurisdiction, the court shall hear and determine such issue. Where such an issue is raised, the party alleged to be in default may, except in cases of admiralty, on or before the return day of the notice of application, demand a jury trial of such issue, and upon such demand the court shall make an order referring the issue or issues to a jury in the manner provided by the Federal Rules of Civil Procedure, or may specially call a jury for that purpose. If the jury find that no agreement in writing for arbitration was made or that there is no default in proceeding thereunder, the proceeding shall be dismissed. If the jury find that an agreement for arbitration was made in writing and that there is a default in proceeding thereunder, the court shall make an order summarily directing the parties to proceed with the arbitration in accordance with the terms thereof.

* * *

Appendix Q

9 U.S.C.A. § 5

§ 5. Appointment of arbitrators or umpire

If in the agreement provision be made for a method of naming or appointing an arbitrator or arbitrators or an umpire, such method shall be followed; but if no method be provided therein, or if a method be provided and any party thereto shall fail to avail himself of such method, or if for any other reason there shall be a lapse in the naming of an arbitrator or arbitrators or umpire, or in filling a vacancy, then upon the application of either party to the controversy the court shall designate and appoint an arbitrator or arbitrators or umpire, as the case may require, who shall act under the said agreement with the same force and effect as if he or they had been specifically named therein; and unless otherwise provided in the agreement the arbitration shall be by a single arbitrator.

* * *

Appendix Q

9 U.S.C.A. § 6

§ 6. Application heard as motion

Any application to the court hereunder shall be made and heard in the manner provided by law for the making and hearing of motions, except as otherwise herein expressly provided.

* * *

Appendix Q

9 U.S.C.A. § 7

§ 7. Witnesses before arbitrators; fees; compelling attendance

The arbitrators selected either as prescribed in this title or otherwise, or a majority of them, may summon in writing any person to attend before them or any of them as a witness and in a proper case to bring with him or them any book, record, document, or paper which may be deemed material as evidence in the case. The fees for such attendance shall be the same as the fees of witnesses before masters of the United States courts. Said summons shall issue in the name of the arbitrator or arbitrators, or a majority of them, and shall be signed by the arbitrators, or a majority of them, and shall be directed to the said person and shall be served in the same manner as subpoenas to appear and testify before the court; if any person or persons so summoned to testify shall refuse or neglect to obey said summons, upon petition the United States district court for the district in which such arbitrators, or a majority of them, are sitting may compel the attendance of such person or persons before said arbitrator or arbitrators, or punish said person or persons for contempt in the same manner provided by law for securing the attendance of witnesses or their punishment for neglect or refusal to attend in the courts of the United States.

* * *

Appendix Q

9 U.S.C.A. § 8

§ 8. Proceedings begun by libel in admiralty and seizure of vessel or property

If the basis of jurisdiction be a cause of action otherwise justiciable in admiralty, then, notwithstanding anything herein to the contrary, the party claiming to be aggrieved may begin his proceeding hereunder by libel and seizure of the vessel or other property of the other party according to the usual course of admiralty proceedings, and the court shall then have jurisdiction to direct the parties to proceed with the arbitration and shall retain jurisdiction to enter its decree upon the award.

* * *

Appendix Q

9 U.S.C.A. § 9

§ 9. Award of arbitrators; confirmation; jurisdiction; procedure

If the parties in their agreement have agreed that a judgment of the court shall be entered upon the award made pursuant to the arbitration, and shall specify the court, then at any time within one year after the award is made any party to the arbitration may apply to the court so specified for an order confirming the award, and thereupon the court must grant such an order unless the award is vacated, modified, or corrected as prescribed in sections 10 and 11 of this title. If no court is specified in the agreement of the parties, then such application may be made to the United States court in and for the district within which such award was made. Notice of the application shall be served upon the adverse party, and thereupon the court shall have jurisdiction of such party as though he had appeared generally in the proceeding. If the adverse party is a resident of the district within which the award was made, such service shall be made upon the adverse party or his attorney as prescribed by law for service of notice of motion in an action in the same court. If the adverse party shall be a nonresident, then the notice of the application shall be served by the marshal of any district within which the adverse party may be found in like manner as other process of the court.

* * *

Appendix Q

9 U.S.C.A. § 10

§ 10. Same; vacation; grounds; rehearing

(a) In any of the following cases the United States court in and for the district wherein the award was made may make an order vacating the award upon the application of any party to the arbitration —

(1) where the award was procured by corruption, fraud, or undue means;

(2) where there was evident partiality or corruption in the arbitrators, or either of them;

(3) where the arbitrators were guilty of misconduct in refusing to postpone the hearing, upon sufficient cause shown, or in refusing to hear evidence pertinent and material to the controversy; or of any other misbehavior by which the rights of any party have been prejudiced; or

(4) where the arbitrators exceeded their powers, or so imperfectly executed them that a mutual, final, and definite award upon the subject matter submitted was not made.

[(5) Redesignated (b)]

(b) If an award is vacated and the time within which the agreement required the award to be made has not expired, the court may, in its discretion, direct a rehearing by the arbitrators.

(c) The United States district court for the district wherein an award was made that was issued pursuant to section 580 of title 5 may make an order vacating the award upon the application of a person, other than a party to the arbitration, who is adversely affected or aggrieved by the award, if the use of arbitration or the award is clearly inconsistent with the factors set forth in section 572 of title 5.

* * *

Appendix Q

9 U.S.C.A. § 11

§ 11. Same; modification or correction; grounds; order

In either of the following cases the United States court in and for the district wherein the award was made may make an order modifying or correcting the award upon the application of any party to the arbitration —

(a) Where there was an evident material miscalculation of figures or an evident material mistake in the description of any person, thing, or property referred to in the award.

(b) Where the arbitrators have awarded upon a matter not submitted to them, unless it is a matter not affecting the merits of the decision upon the matter submitted.

(c) Where the award is imperfect in matter of form not affecting the merits of the controversy.

The order may modify and correct the award, so as to effect the intent thereof and promote justice between the parties.

* * *

Appendix Q

9 U.S.C.A. § 12

§ 12. Notice of motions to vacate or modify; service; stay of proceedings

Notice of a motion to vacate, modify, or correct an award must be served upon the adverse party or his attorney within three months after the award is filed or delivered. If the adverse party is a resident of the district within which the award was made, such service shall be made upon the adverse party or his attorney as prescribed by law for service of notice of motion in an action in the same court. If the adverse party shall be a nonresident then the notice of the application shall be served by the marshal of any district within which the adverse party may be found in like manner as other process of the court. For the purposes of the motion any judge who might make an order to stay the proceedings in an action brought in the same court may make an order, to be served with the notice of motion, staying the proceedings of the adverse party to enforce the award.

* * *

Appendix Q

9 U.S.C.A. § 13

§ 13. Papers filed with order on motions; judgment; docketing; force and effect; enforcement

The party moving for an order confirming, modifying, or correcting an award shall, at the time such order is filed with the clerk for the entry of judgment thereon, also file the following papers with the clerk:

(a) The agreement; the selection or appointment, if any, of an additional arbitrator or umpire; and each written extension of the time, if any, within which to make the award.

(b) The award.

(c) Each notice, affidavit, or other paper used upon an application to confirm, modify, or correct the award, and a copy of each order of the court upon such an application.

The judgment shall be docketed as if it was rendered in an action.

The judgment so entered shall have the same force and effect, in all respects, as, and be subject to all the provisions of law relating to, a judgment in an action; and it may be enforced as if it had been rendered in an action in the court in which it is entered.

* * *

Appendix Q

9 U.S.C.A. § 14

§ 14. Contracts not affected

This title shall not apply to contracts made prior to January 1, 1926.

* * *

Appendix Q

9 U.S.C.A. § 15

§ 15. Inapplicability of the Act of State doctrine

Enforcement of arbitral agreements, confirmation of arbitral awards, and execution upon judgments based on orders confirming such awards shall not be refused on the basis of the Act of State doctrine.

* * *

Appendix Q

9 U.S.C.A. § 16

§ 16. Appeals

(a) An appeal may be taken from —

(1) an order —

(A) refusing a stay of any action under section 3 of this title,

(B) denying a petition under section 4 of this title to order arbitration to proceed,

(C) denying an application under section 206 of this title to compel arbitration,

(D) confirming or denying confirmation of an award or partial award, or

(E) modifying, correcting, or vacating an award;

(2) an interlocutory order granting, continuing, or modifying an injunction against an arbitration that is subject to this title; or

(3) a final decision with respect to an arbitration that is subject to this title.

(b) Except as otherwise provided in section 1292(b) of title 28, an appeal may not be taken from an interlocutory order —

(1) granting a stay of any action under section 3 of this title;

(2) directing arbitration to proceed under section 4 of this title;

(3) compelling arbitration under section 206 of this title; or

(4) refusing to enjoin an arbitration that is subject to this title.

* * *

APPENDIX R — EXCERPTS FROM BRIEF IN OPPOSITION TO THE PETITION FOR A WRIT OF CERTIORARI FILED IN TAMIAMI III AT PAGE 18

* * *

To begin with, this petition arises from an interlocutory appeal; the Court of Appeals has remanded the case for further proceedings in the District Court. Certiorari is greatly disfavored in these circumstances. *See Brotherhood of Locomotive Firemen and Enginemen v. Bangor & Aroostock R.R.*, 389 U.S. 327, 328 (1967) ("Petitioners seek certiorari to review the adverse rulings made by the Court of Appeals. However, because the Court of Appeals remanded the case, it is not yet ripe for review by this Court."); *see also Virginia Military Institute v. United States*, 508 U.S. 946, 946 (1993) ("We generally await final judgment in the lower courts before exercising our certiorari jurisdiction.") (Scalia, J., respecting the denial of the petition for writ of certiorari); *Estelle v. Gamble*, 429 U.S. 97, 114 (1976) (Stevens, J., dissenting) (noting Supreme Court's "normal practice of denying interlocutory review").[13] If the District Court on remand dismisses Tamiami's complaint or rules in the Tribe's favor after trial, the question presented will be mooted. This Court should decline to grant certiorari to decide a question which may, given time, resolve itself. *See* Robert L. Stern *et al.*, *Supreme Court Practice* § 4.15, at 196 (7th ed. 1993).

* * * *

---

13. *See also Hamilton-Brown Shoe Co. v. Wolf Bros. & Co.*, 240 U.S. 251, 258 (1916) ("The decree that was sought to be reviewed by certiorari at complainant's instance was not a final one, a fact that of itself alone furnished sufficient ground for the denial of the application."); *American Constr. Co. v. Jacksonville, T. & K. W. Ry.*, 148 U.S. 372, 884 (1893) ("[T]his court should not issue a writ of *certiorari* to review a decree of the Circuit Court of Appeals on appeal from an interlocutory order, unless it is necessary to prevent extraordinary inconvenience and embarrassment in the conduct of the cause.")

Supreme Court, U.S.
FILED
OCT 18 2002
OFFICE OF THE CLERK

No. 02-49

IN THE
Supreme Court of the United States

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Petitioner,

v.

TAMIAMI PARTNERS, LIMITED,

Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Eleventh Circuit

BRIEF IN OPPOSITION

JOSEPH M. MATTHEWS
MARC COOPER
COLSON HICKS EIDSON, P.A.
255 Aragon Avenue
Second Floor
Coral Gables, Florida 33134
(305) 476-7400

*Counsel of Record

JOHN G. ROBERTS, JR.*
CATHERINE E. STETSON
HOGAN & HARTSON L.L.P.
555 Thirteenth Street, N.W.
Washington, D.C. 20004
(202) 637-5810

Counsel for Respondent

WILSON-EPES PRINTING CO., INC. – (202) 789-0096 – WASHINGTON, D. C. 20001

QUESTIONS PRESENTED

1. Whether this Court should grant certiorari to review dictum in a footnote in a 1999 Eleventh Circuit opinion.

2. Whether this Court should grant certiorari to review the question whether a nonmember seeking to compel an arbitral remedy must first "exhaust tribal remedies," when that question was not pressed or passed upon below.

3. Whether this Court should grant certiorari to review the question under what circumstances a tribal court may exercise jurisdiction over claims brought by an Indian tribe against nonmembers, when the question is not presented on the facts of this case.

RULE 29.6 STATEMENT

Respondent Tamiami Partners, Ltd. ("Tamiami") is a limited partnership. Tamiami has no parent corporation, and no publicly held company owns 10% or more of Tamiami's stock.

TABLE OF CONTENTS

	Page
QUESTIONS PRESENTED	i
RULE 29.6 STATEMENT	ii
TABLE OF AUTHORITIES	iv
INTRODUCTION	1
COUNTERSTATEMENT	3
REASONS FOR DENYING THE WRIT	17
I. THIS COURT SHOULD DECLINE TO GRANT REVIEW OF DICTUM IN A FOOTNOTE IN *TAMIAMI III*	18
II. PETITIONER'S CHALLENGES TO THE CONFIRMATION OF THE ARBITRAL AWARD WERE EITHER NOT RAISED BELOW OR NOT PRESENTED IN THE CASE	24
A. The Question Whether Tamiami Was Obligated To "Exhaust Tribal Remedies" Was Not Pressed Or Passed Upon Below.	24
B. The Question To What Extent A Tribal Court May Adjudicate A Tribe's Claims Against Non-Members Is Not Presented In This Case	27
CONCLUSION	29

TABLE OF AUTHORITIES

Page

CASES:

Abdo v. *Fort Randall Casino*, 957 F. Supp. 1111 (D.S.D. 1997) 23

Barnard v. *Commercial Carriers, Inc.*, 863 F.2d 694 (10th Cir. 1988) 26

Becenti v. *Vigil*, 902 F.2d 777 (10th Cir. 1990) 25

Bruce H. Lien Co. v. *Three Affiliated Tribes*, 93 F.3d 1412 (8th Cir. 1996) 19,22

C & L Enters., Inc. v. *Citizen Band Potawatomi Indian Tribe of Okla.*, 532 U.S. 411 (2001) 27

Cabazon Band of Mission Indians v. *Wilson*, 124 F.3d 1050 (9th Cir. 1997), *cert. denied*, 524 U.S. 926 (1998) 23

Calvello v. *Yankton Sioux Tribe*, 899 F. Supp. 431 (D.S.D. 1995) 23

Casino Res. Corp. v. *Harrah's Entm't, Inc.*, 243 F.3d 435 (8th Cir. 2001) 4

Caterpillar Inc. v. *Williams*, 482 U.S. 386 (1987) 9

Columbia Gas Trans. Corp. v. *Drain*, 191 F.3d 552 (4th Cir. 1999) 22

Continental Materials Corp. v. *Gaddis Mining Co.*, 306 F.2d 952 (10th Cir.1962) 26

TABLE OF AUTHORITIES—Continued

Page

Dean Witter Reynolds, Inc. v. *Sanchez Espada*, 959 F. Supp. 73 (D.P.R. 1997) 21

Diamond Game Enters., Inc. v. *Reno*, 9 F. Supp. 2d 13 (D.D.C. 1998), *rev'd on other grounds*, 230 F.3d 365 (D.C. Cir. 2000) 4,23

Franchise Tax Bd. v. *Construction Laborers Vacation Trust*, 463 U.S. 1 (1983) 9,18,21

FW/PBS, Inc. v. *City of Dallas*, 493 U.S. 215 (1990) 25

Gaming Corp. of Am. v. *Dorsey & Whitney*, 88 F.3d 536 (8th Cir. 1996) 4

Gibraltar, P.R., Inc. v. *Otoki Group., Inc.*, 104 F.3d 616 (4th Cir. 1997) 20

Johnson v. *University of Wisconsin-Milwaukee*, 783 F.2d 59 (7th Cir. 1986) 26

Juidice v. *Vail*, 430 U.S. 327 (1977) 26

Lindy v. *Lynn*, 501 F.2d 1367 (3d Cir. 1974) 22

McDonald v. *City of West Branch*, 466 U.S. 284 (1984) 26

Merrell Dow Pharms. v. *Thompson*, 478 U.S. 804 (1986) 9,18

Merrill, Lynch, Pierce, Fenner & Smith, Inc. v. *Haydu*, 637 F.2d 391 (5th Cir. Unit B Feb. 1981) 14

TABLE OF AUTHORITIES—Continued

	Page
Milan Express Co. v. *Western Surety Co.*, 886 F.2d 783 (6th Cir. 1989)	22
Mirson v. *Corradino Group., Inc.*, 751 So. 2d 699 (Fla. 3d Dist. Ct. App 2000)	17
Missouri River Servs., Inc. v. *Omaha Tribe of Neb.*, 267 F.3d 848 (8th Cir. 2001), *cert. denied*, 122 S. Ct. 1909 (2002)	4
National Farmers Union Ins. Cos. v. *Crow Tribe*, 471 U.S. 845 (1985)	25,26
Nevada v. *Hicks*, 533 U.S. 353 (2001)	27,28
Platzer v. *Sloan-Kettering Inst. for Cancer Research*, 787 F. Supp. 360 (S.D.N.Y.), *aff'd*, 983 F.2d 1086 (Fed. Cir. 1992), *cert. denied*, 507 U.S. 1006 (1993)	22
Pueblo of Santa Ana v. *Kelly*, 104 F.3d 1546 (10th Cir.), *cert. denied*, 522 U.S. 807 (1997)	22
Rita, Inc. v. *Flandreau Santee Sioux Tribe*, 798 F. Supp. 586 (D.S.D. 1992)	23
Rogers v. *United States*, 522 U.S. 252 (1998)	27
Ross v. *Flandreau Santee Sioux Tribe*, 809 F. Supp. 738 (D.S.D. 1992)	23
Smith v. *Kansas City Title & Trust Co.*, 255 U.S. 180 (1921)	21

TABLE OF AUTHORITIES—Continued

	Page
New Mexico v. *Pueblo of Pojoaque*, 30 Fed. Appx. 768 (10th Cir. 2002)	23
T. B. Harms Co. v. *Eliscu*, 339 F.2d 823 (2d Cir. 1964), *cert. denied*, 381 U.S. 915 (1965)	18,22
Tamiami Partners, Ltd. v. *Miccosukee Tribe of Indians of Fla.*, 999 F.2d 503 (11th Cir. 1993)	4
Tamiami Partners, Ltd. v. *Miccosukee Tribe of Indians of Fla.*, 63 F.3d 1030 (11th Cir. 1995)	4
Tamiami Partners, Ltd. v. *Miccosukee Tribe of Indians of Fla.*, 177 F.3d 1212 (11th Cir. 1999), *cert. denied*, 529 U.S. 1018 (2000)	4
The Monrosa v. *Carbon Black Export, Inc.*, 359 U.S. 180 (1959)	27
Tom's Amusement Co. v. *Cuthbertson*, 816 F. Supp. 403 (W.D.N.C. 1993)	23
West 14th Street Commercial Corp. v. *5 West 14th Owners Corp.*, 815 F.2d 188 (2d Cir.), *cert. denied*, 484 U.S. 850 (1987)	22
Willis v. *Fordice*, 850 F. Supp. 523 (S.D. Miss. 1994), *aff'd*, 55 F.3d 633 (5th Cir. 1995)	23

TABLE OF AUTHORITIES—Continued

	Page
STATUTES:	
9 U.S.C. § 4	19
25 U.S.C. § 2701 *et seq.*	2,3
25 U.S.C. § 2701(3)	4
25 U.S.C. § 2702(1)	3
25 U.S.C. § 2702(3)	3
25 U.S.C. § 2703(6)	4
25 U.S.C. § 2703(7)	4
25 U.S.C. § 2704	4
25 U.S.C. § 2705(a)(4)	4
25 U.S.C. § 2706(b)(1)	4
25 U.S.C. § 2706(b)(10)	5
25 U.S.C. § 2709	6
25 U.S.C. § 2710(a)(1)	4
25 U.S.C. § 2710(b)	7
25 U.S.C. § 2710(b)(2)(F)(i)	5
25 U.S.C. § 2710(b)(2)(F)(ii)	5
25 U.S.C. § 2711	4
25 U.S.C. § 2711(b)(1), (6)	5
28 U.S.C. § 1337(a)	22
Fla. Stat. § 682.03	17,24
Fla. Stat. § 682.03(4)	24

IN THE

Supreme Court of the United States

No. 02-491

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Petitioner,

v.

TAMIAMI PARTNERS, LIMITED,

Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Eleventh Circuit

BRIEF IN OPPOSITION

Respondent Tamiami Partners, Limited ("Tamiami") respectfully requests that the Court deny the petition for a writ of certiorari seeking review of the decision of the United States Court of Appeals for the Eleventh Circuit in this case.

INTRODUCTION

This marks petitioner's second petition for certiorari in this case, this time from the fourth opinion the Eleventh Circuit Court of Appeals has rendered in the course of this decade-long litigation. The petition should be denied, just as the first one was, and this case brought to a long-overdue conclusion.

An understanding of the particular facts underlying this dispute and the "lengthy procedural history of this case," Pet. App. 2a, is essential to a proper appreciation of what the

court below decided and what questions are properly before this Court. Respondent Tamiami, along with its partner Tamiami Development Corporation, entered into an agreement with petitioner Miccosukee Tribe of Indians of Florida (the "Tribe") under which Tamiami would buy a parcel of land, deed it to the Tribe, and build and operate a bingo facility there, in exchange for a share of the facility's revenues. The parties' management agreement was governed by the Indian Gaming Regulation Act ("IGRA"), a federal statute that preempts the field of Indian gaming. *See* 25 U.S.C. § 2701 *et seq*. IGRA's detailed implementing regulations similarly governed the procedures for issuing licenses necessary for the operation of the bingo facility. *See* 25 C.F.R. §§ 501-577.15.

After Tamiami bought the land, deeded it to the Tribe, and built the gaming facility, the Tribe twice attempted to purchase Tamiami's interest in the operation, first offering less than, and then the same amount as, Tamiami's initial investment. When Tamiami rejected those offers, the Tribe declared Tamiami to be in breach of the parties' management agreement and purported to terminate the agreement; it subsequently denied Tamiami the gaming licenses it needed to operate Miccosukee Indian Bingo and evicted it from the facility. Asserting that the Tribe had denied its applications for gaming licenses in bad faith in order to gain control of the bingo facility, Tamiami sued the Tribe in federal district court to enforce the terms of the parties' management agreement, which required the parties to arbitrate their claims.

The Eleventh Circuit unanimously concluded that Tamiami's claims presented a federal question because they arose under IGRA and its implementing regulations. The Court of Appeals denied rehearing en banc without recorded dissent. The Tribe filed a petition for writ of certiorari, which this Court denied. The Tribe sought rehearing from this Court's denial of certiorari, which was also denied. On remand, the District Court enforced a $9.5 million arbitral award in favor

of Tamiami, plus prejudgment interest, in satisfaction of Tamiami's claims against the Tribe. The Eleventh Circuit affirmed in an unpublished, per curiam opinion and again unanimously denied rehearing en banc. The Tribe again seeks certiorari review.

Nothing has changed since the Tribe's last petition. The Eleventh Circuit has not decided an "important question of federal law" in a way that "conflicts with relevant decisions of this Court" or of the courts of appeal. S. Ct. Rule 10. To the contrary: in each of its decisions in this case, the Eleventh Circuit faithfully applied this Court's precedents to the specific facts and evolving claims before it. *See id.* ("A petition for writ of certiorari is rarely granted when the asserted error consists of * * * the misapplication of a properly stated rule of law."). Nor did the Eleventh Circuit precipitate a conflict with this Court's case law or that of any other circuit—much less err—in declining to recognize a tribal court's authority to "stay" the arbitration proceedings. Nor does the case present an opportunity to resolve a question this Court has declined to take up in the past—the extent to which tribal courts may generally exercise jurisdiction over non-members—because that issue simply is not presented on the facts of this case. The petition should be denied and an end put to the "contentious litigation conduct" of the Tribe. Pet. App. 6a.

COUNTERSTATEMENT

A. Statutory and Regulatory Background.

The Indian Gaming Regulatory Act ("IGRA"), 25 U.S.C. § 2701 *et seq.*, regulates gaming operations on Indian lands. The Act declares that "the establishment of independent Federal regulatory authority for gaming on Indian lands [and] the establishment of Federal standards for gaming on Indian lands * * * are necessary to meet Congressional concerns regarding gaming and to protect such gaming as a means of generating tribal revenue." 25 U.S.C. § 2702(3).

In keeping with Congress's intent to provide federal "standards or regulations for the conduct of gaming on Indian lands," 25 U.S.C. § 2701(3), IGRA is a comprehensive statute, designed to "expressly preempt the field" of law governing Indian gaming. S. Rep. No. 446 at 6 (1988); *see also Casino Res. Corp.* v. *Harrah's Entm't, Inc.*, 243 F.3d 435, 437 (8th Cir. 2001); *Gaming Corp. of Am.* v. *Dorsey & Whitney*, 88 F.3d 536, 544 (8th Cir. 1996) (IGRA completely preempts the field of Indian gaming); *Tamiami Partners, Ltd.* v. *Miccosukee Tribe of Indians of Fla.*, 63 F.3d 1030, 1033 (11th Cir. 1995) ("*Tamiami II*") (IGRA "provide[s] for extensive federal oversight of all but the most rudimentary forms of Indian gaming").

The Act regulates two types of gaming activities. "Class II" gaming—the type involved in this case—includes games of chance like bingo. *See* 25 U.S.C. § 2703(7).[1] The National Indian Gaming Commission, an entity created by IGRA, monitors Class II gaming conducted on Indian lands "on a continuing basis." *Id.* § 2706(b)(1); *see id.* § 2704 (establishing Commission and enumerating its powers). Before a Tribe contracts with a gaming operator to manage a Class II gaming facility, the Tribe must submit the contract to the Chairman of the Gaming Commission for approval. *Id.* § 2705(a)(4); *see Missouri River Servs., Inc.* v. *Omaha Tribe of Nebraska*, 267 F.3d 848, 850 (8th Cir. 2001), *cert. denied*, 122 S. Ct. 1909 (2002). The Act conditions approval of

---

[1] IGRA does not apply to "Class I" gaming, which encompasses "social games solely for prizes of minimal value or traditional forms of Indian gaming." 25 U.S.C. §§ 2703(6), 2710(a)(1); *see Diamond Game Enters., Inc.* v. *Reno*, 230 F.3d 365, 367 (D.C. Cir. 2000). "Class III" gaming, which is regulated by IGRA, includes all forms of gaming not covered by the first two designations, including slot machines, parimutuel wagering, roulette, and blackjack. *See Diamond Game Enters.*, 230 F.3d at 367; 25 C.F.R. § 502.4(a)-(d).

Class II management contracts on satisfaction of a number of detailed prerequisites. *Id.* § 2711.[2]

The Act also governs a Tribe's licensing of a Class II management contractor and its employees. Section 2710 requires that a Tribe conduct background investigations of the "primary management officials and key employees of the gaming enterprise" and maintain ongoing oversight of those officials and employees. *Id.* § 2710(b)(2)(F)(i). Tribes are required to institute procedures for licensing managers and key employees, and to notify the Commission of the results of all background investigations before issuing gaming licenses. *Id.* § 2710(b)(2)(F)(ii).

Pursuant to IGRA's mandate, *see* 25 U.S.C. § 2706(b)(10), the Commission promulgated extensive regulations to implement the Act. *See* 25 C.F.R. §§ 501-577.15. The regulations include detailed specifications governing, among other things, procedures for approval of management contracts for Class II gaming enterprises, and procedures for licensing Class II managers and employees. *See* 25 C.F.R. §§ 531, 533, 535, 537, 556, 558.

B. Factual Background.

Because petitioner's current arguments directly implicate the Eleventh Circuit's prior decisions in this lengthy case, the factual and procedural background of this case warrant detailed treatment.

1. The Lawsuit. The Miccosukee Tribe of Indians of Florida (the "Tribe") is a federally-recognized Indian tribe. In April 1989, the Tribe entered into a Management Agree-

---

[2] To be approved by the Chairman, a proposed management contract must include provisions for, among other things, "adequate accounting procedures" and "verifiable financial reports," minimum guaranteed payments to the Tribe, and "grounds and mechanisms for terminating [the] contract." *Id.* § 2711(b)(1), (6).

ment with Tamiami Development Corporation ("Tamiami Development") to build and operate a bingo facility. In exchange for a fixed percentage of the facility's revenues, Tamiami Development agreed that it would purchase a parcel of land outside the Miccosukee reservation, convey the real estate to the United States in trust for the Tribe, and design, construct, and manage the gaming facility.

Article 12 of the Agreement provided that "[a]ll disputes, controversies and/or claims arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration." Pet. App. 130a. Article 23 of the Agreement waived the Tribe's sovereign immunity from suit in the United States District Court for the Southern District of Florida to enforce the terms of the Management Agreement "upon one or both of the following events[:] (i) [the Tribe] fails to participate in an arbitration proceeding invoked as provided in Article 12, or (ii) failure by [the Tribe] to abide by the terms of an arbitration award." *Id.* at 131a.

The Tribe submitted the Agreement to the Secretary of the Interior for approval, as IGRA required. *See* 25 U.S.C. § 2709. Following the Secretary's approval, and pursuant to the Agreement, Tamiami Development purchased a large parcel of land, deeded it to the United States in trust for the Tribe, and built a bingo facility on the land. Tamiami Development invested approximately $6.5 million in the land and its improvements.

The Miccosukee bingo enterprise, called Miccosukee Indian Bingo, began operating in September 1990.[3] In August 1991, again as IGRA required, the Tribe passed an ordinance

---

[3] In January 1990, the parties effected a novation of the Management Agreement, substituting respondent Tamiami for Tamiami Development. Tamiami Development remained associated with the enterprise as Tamiami's general partner. The Secretary of the Interior approved the novation, as IGRA requires.

establishing a Tribal Gaming Agency to oversee the Tribe's gaming enterprises, including Miccosukee Indian Bingo. *See* 25 U.S.C. § 2710(b). The ordinance governed the background investigation, registration, and licensing of the gaming enterprises' managers and employees, and required the Tribal Gaming Agency to notify the National Indian Gaming Commission of the results of each background investigation. Under the Tribal ordinance, the denial of a license application resulted in termination of employment and eviction from the Tribe's gaming facility.

From September 1990—when Miccosukee Indian Bingo opened its doors—through January 1992, the Tribe twice attempted to buy out Tamiami's interest in the facility. The Tribe's first offer was for two million dollars *less* than Tamiami had invested in the project; the second was for the same amount as Tamiami's investment. Tamiami refused both offers. *See* Pet. App. 134a-135a.

In late January 1992, after the rejection of its second offer to buy out Tamiami, the Tribe notified Tamiami that the Management Agreement would be terminated in thirty days, purportedly because Tamiami had committed various unspecified " 'violations of the letter and spirit of the Agreement.' " *Id.* at 135a (quoting termination letter). Invoking the Management Agreement, Tamiami formally requested arbitration of the dispute to determine the validity of the Tribe's notice of termination. The Tribe did not respond to Tamiami's request; instead, it filed suit in Miccosukee Tribal Court against Tamiami, seeking, among other things, a declaration that it had validly terminated the Management Agreement and an order directing Tamiami to vacate the bingo facility. *See id.* at 135a-136a.

The day before the Tribe was to terminate the Management Agreement, Tamiami sued the Tribe in federal district court for the Southern District of Florida, challenging the impending termination. Tamiami's original complaint sought a

declaratory judgment that the Agreement required the parties to settle disputes by arbitration and an injunction compelling the Tribe to arbitrate the termination dispute and preventing the Tribe from taking control of Miccosukee Indian Bingo before arbitration had run its course. *See* Pet. App. 202a & n.4. The District Court concluded that it had jurisdiction over Tamiami's claims but stayed them pending resolution of the parallel tribal court proceeding, warning that it would lift the stay if the Tribe attempted to impede Tamiami's operations or to evict Tamiami from the facility. *Id.* at 203a-204a.

After the District Court stayed Tamiami's suit, the parties proceeded to arbitration, as the Management Agreement provided. An arbitration panel was convened in late 1992. *See* Pet. App. 147a.

Several months after the District Court stayed Tamiami's action, the Tribal Gaming Agency denied a number of license applications filed by Tamiami managers and other key employees and evicted those employees from the Miccosukee Indian Bingo facility. Because the Tribe's denial of the license applications violated IGRA and its implementing regulations and effectively precluded Tamiami from operating Miccosukee Indian Bingo, Tamiami moved in the District Court to lift the stay and for injunctive relief to prohibit the Gaming Agency from denying licenses to additional employees. *See id.* at 140a-141a.

The District Court concluded that the Tribe's licensing process was "arbitrary and capricious" but denied Tamiami's motion for injunctive relief, finding that IGRA did not provide for contractors like Tamiami to directly challenge a tribe's licensing procedures, and that in any event, the Tribe's waiver of sovereign immunity in the Management Agreement did not extend to federal suits challenging its licensing procedures. *Id.* at 142a. Tamiami took an interlocutory appeal to the Eleventh Circuit from the District Court's order.

While Tamiami's appeal was pending, the Tribe again resorted to self-help in its attempt to take over the bingo facility. In April 1993, the Tribal Gaming Agency denied gaming licenses to Tamiami, Tamiami Development, and two of Tamiami's principal officers, evicted Tamiami from the bingo facility, and appointed a conservator, who began withholding Tamiami's share of revenues from the gaming operation. *Id.* at 144a. Tamiami again sought emergency relief in the District Court from the Tribe's tactics; this time, the District Court granted Tamiami's motion and ordered the parties to return to the status quo that had existed before the Tribe denied the licenses and appointed a conservator. *Id.* at 144a-145a. The Tribe appealed the District Court's ruling. Its appeal was consolidated with Tamiami's.

2. ***Tamiami I.*** The Eleventh Circuit concluded that the District Court lacked jurisdiction over Tamiami's complaint because the complaint did not state a federal question. Pet. App. 200a-213a ("*Tamiami I*"). Quoting this Court's decisions in *Merrell Dow Pharmaceuticals Inc.* v. *Thompson*, 478 U.S. 804, 808 (1986) and *Franchise Tax Board* v. *Construction Laborers Vacation Trust*, 463 U.S. 1, 9-10 (1983), the Eleventh Circuit explained that "the question whether a claim 'arises under' federal law must be determined by reference to the 'well-pleaded complaint.' " Pet. App. 208a. Under the "well-pleaded complaint rule," federal question jurisdiction " 'exists only when a federal question is presented on the face of the plaintiff's properly pleaded complaint.' " *Id.* (quoting *Caterpillar Inc.* v. *Williams*, 482 U.S. 386, 392 (1987)).

The Court of Appeals concluded that Tamiami's complaint on its face did not establish the existence of a federal question, because the complaint, grounded on the Tribe's attempt to terminate its Management Agreement with Tamiami, presented only "facts establishing a breach of contract claim." Pet. App. 209a. The Eleventh Circuit observed, however, that "events had occurred" after the filing of

Tamiami's complaint—namely, the Tribe's subsequent denial of Tamiami's gaming licenses in violation of IGRA and its regulations—"that suggested a basis for district court jurisdiction." *Id.* at 212a. Because those more recent "facts * * * suggest[ed] that the district court could have jurisdiction," the Court of Appeals remanded the case with directions to dismiss the action unless either party filed a complaint properly alleging federal jurisdiction. *Id.* at 212a-213a.

3. The Amended Complaint. On remand, Tamiami filed an amended complaint against the Tribe and several individual members of the Tribe's Business Council and Gaming Agency. *See* Pet. App. 147a. The amended complaint stated three basic claims: one claim that the Tribe had breached the Management Agreement by evicting Tamiami from Miccosukee Indian Bingo and taking control of the enterprise, and two claims brought directly under IGRA alleging that the Tribe and the individual defendants had abused their licensing authority under the statute by refusing to license Tamiami and its officials. *Id.* at 153a-154a.

4. The Arbitration Award. Tamiami filed its amended complaint in September 1993, shortly before the arbitration panel was to hold its final hearing. *See id.* at 147a. One day after Tamiami filed its amended complaint, the Tribe moved in tribal court to stay the arbitration proceedings, and the tribal court granted the motion. *Id.* at 147a-148a. Concluding that it derived its authority from the Management Agreement—not from the tribal court—the arbitration panel held a final hearing in which the Tribe's arbitrator chose not to participate. *Id.* at 148a; *see* Ct. App. J.A. Doc. 311, Ex. 5 (Order Declining To Postpone Final Hearing) at 1 (" 'The authority of an arbitration tribunal is derived exclusively from the contract or document creating the panel.' ")(quoting Miccosukee Tribe Pre-Hearing Memorandum at 3).

In October 1993, a majority of the arbitration panel issued a decision in favor of Tamiami, concluding that the Tribe had violated the Management Agreement by denying the license application of the Program Director of Miccosukee Indian Bingo, a Tamiami official. Pet. App. 148a. The panel gave the Tribe a choice: it could reinstate Tamiami's Program Director as manager of Miccosukee Indian Bingo, or it could pay Tamiami $9.5 million. *Id.*[4] The Tribe refused to recognize the arbitrators' decision and award.

5. The Second Motion to Dismiss. Meanwhile, back in District Court, the Tribe and the individual defendants moved to dismiss Tamiami's amended complaint, again claiming lack of jurisdiction and sovereign immunity. *See id.* at 149a. The District Court granted the Tribe's motion to dismiss, finding Tamiami's action barred on sovereign immunity grounds. *Id.* at 150a. It concluded, however, that the individual defendants were not entitled to claim immunity from suit and denied their motion to dismiss. *Id.* Tamiami appealed the District Court's dismissal of its claims against the Tribe, and the individual defendants appealed the District Court's order refusing to dismiss the claims against them.

6. *Tamiami II*. In a comprehensive and meticulous opinion, the Eleventh Circuit affirmed the District Court in part and reversed in part. Pet. App. 110a-166a ("*Tamiami II*"). The Court of Appeals first addressed whether the District Court had subject matter jurisdiction over the claims

---

[4] The Tribe persists in characterizing the arbitration award as having found in favor of Tamiami on only one claim alleging that "an employee of [Miccosukee Indian Bingo] was improperly terminated." Pet. 5; *see id.* at 16. Its characterization of the award is, to say the least, disingenuous; that "one employee" was the director of the entire Miccosukee Indian Bingo program; his reinstatement thus would have reestablished Tamiami as the manager of Miccosukee Indian Bingo. *See* Ct. App. J.A. Doc. 213, Ex. 1, at 11 (Management Agreement ¶ 3.3.2).

in Tamiami's amended complaint, and concluded that it did: "each of Tamiami's claims * * * 'ar[ose] under the * * * laws * * * of the United States.' " *Id.* at 155a (quoting 28 U.S.C. § 1331).

Tamiami's first claim—that the Tribe had breached its Management Agreement—presented a federal question because "[t]he Agreement incorporates—by operation of law if not by reference—the provisions of IGRA and the [Gaming Commission's] regulations that govern [Miccosukee Indian Bingo's] operations," including those relating to licensing of Tamiami's managers and employees. Pet. App. 155a-156a; *see also id.* n.59. As the Court of Appeals explained, the "gravamen of Tamiami's contract claim" was that the Tribe failed to act in good faith and abused its licensing authority when it denied Tamiami's applications, in violation of IGRA. *Id.* at 156a. Those claims, the court concluded, are "claims arising under federal law; hence the district court had subject matter jurisdiction over Tamiami's breach of contract claim against the Tribe." *Id.*

The Court of Appeals also held that the District Court had subject matter jurisdiction over Tamiami's second and third claims, which were based directly on IGRA and its implementing regulations. *Id.*

Having found that the District Court had properly exercised jurisdiction over Tamiami's claims, the Eleventh Circuit next examined whether the District Court had properly dismissed them. The Eleventh Circuit agreed with the lower court that sovereign immunity barred Tamiami's breach-of-contract claim against the Tribe; while the Tribe had waived its immunity from suits to enforce the parties' arbitration agreement, its waiver did not embrace a contract claim requesting money damages and injunctive relief. *Id.* at 159a-160a. The Court of Appeals noted, however, that Tamiami did not seek an order compelling the Tribe to submit to arbitration in its Amended Complaint, as it had in its original

complaint.[5] Thus, Tamiami "*remain[ed] free, of course, to seek enforcement in the district court of the October 6, 19[illegible] arbitration award and to seek an order in the district court compelling arbitration* of any remaining contract disputes." *Id.* at 160a n.66 (emphasis added).

The Eleventh Circuit also concluded that Tamiami's second claim against the Tribe, brought directly under IGRA and its implementing regulations, was properly dismissed, because IGRA provided no private right of action against the Tribe. *Id.* at 162a. The Court of Appeals affirmed the District Court's conclusion that the individual defendants were not entitled to immunity from suit, leaving for the District Court the question whether Tamiami similarly was barred from stating claims under IGRA against the individual defendants. *Id.* at 164a-166a & n.72.

7. The Second Amended Complaint. Back in the District Court for a third time—and again at the Eleventh Circuit's direction, *see* Pet. App. 160a n.66—Tamiami filed a Second Amended Complaint. Only three of its claims are relevant at this point. The first claim requested "(a) a declaration that all disputes between Tamiami and the Tribe that arise out of or relate to the Agreement—including the licensing dispute—are arbitrable; and (b) a declaration against all of the defendants that the funds in the frozen account belong solely to Tamiami." Pet. App. 87a. The complaint's second and third claims requested judgments compelling the Tribe to comply with the October 1993 arbitration award and to arbitrate other disputes related to the Agreement. *Id.*

The Tribe again moved to dismiss the second amended complaint on grounds of sovereign immunity, lack of subject

---

[5] Tamiami had not included a claim to compel arbitration in its Amended Complaint because at the time the Amended Complaint was filed, the parties were in arbitration. *See supra* at 10.

matter jurisdiction, and failure to state a claim. The District Court denied the motions. The Tribe took another interlocutory appeal.

8. ***Tamiami III.*** In June 1999, the Eleventh Circuit issued its third decision. Pet. App. 74a-101a ("*Tamiami III*"). The Tribe argued on appeal that the first three counts of Tamiami's second amended complaint did not state a federal question, because they "merely address contract and arbitration disputes arising under the Agreement." *Id.* at 92a. The Court of Appeals agreed with the Tribe, to a point: "[t]he mere fact that a dispute concerns a contract or an agreement to arbitrate, without more, does not raise a federal question." *Id.* at 93a (citing *Tamiami I*, Pet. App. at 208a, and *Merrill, Lynch, Pierce, Fenner & Smith, Inc.* v. *Haydu*, 637 F.2d 391, 395 (5th Cir. Unit B Feb. 1981)). But the court rejected the Tribe's argument that Tamiami's second amended complaint failed to present a federal question:

> [W]e find that the first three counts of Tamiami's complaint present more than a mere dispute concerning a contract or an agreement to arbitrate. Each of these counts—at least in part—concerns the arbitration of Tamiami's claims that the Tribe had an obligation under the Agreement to process the gaming license applications of Tamiami and its key employees in good faith, and that the Tribe breached its obligations when it rejected these license applications for the sole purpose of taking over [Miccosukee Indian Bingo]. [Pet. App. 93a; *see also id.* at 93a-94a n.10.]

The *Tamiami III* court observed that Tamiami had presented the same claims in its first amended complaint, "albeit in the context of a direct breach of contract suit against the Tribe" rather than a request to compel arbitration, and that the *Tamiami II* panel had concluded those claims presented a federal question "because the Agreement incorporated—by operation of law if not by reference—the provisions of IGRA

and its associated regulations regarding licensing procedures." Pet. App. 94a (citing *Tamiami II*, Pet. App. at 155a). Finding federal law "equally implicated when these claims are presented in the arbitration context" as when presented as part of a contract claim for damages, the *Tamiami III* court held that it was required to "follow the *Tamiami II* panel's conclusion here." *Id.*[6]

Accordingly, because it found that the "first three counts of Tamiami's complaint state a federal question insofar as they relate to the Tribe's rejection of gaming license applications," the Eleventh Circuit allowed Counts One(a), Two, and Three of Tamiami's second amended complaint—the claims against the Tribe for enforcement of the arbitration clause, for enforcement of the arbitration panel's award, and for further arbitration of disputes—to proceed. *Id.* at 94a-95a.

The Tribe sought certiorari of the Eleventh Circuit's decision in *Tamiami III*, asking:

> 1. Whether the federal courts have subject matter jurisdiction over a contract dispute between the management contractor and the Miccosukee Tribe: (a) Does [IGRA] provide management contractors with a private cause of action against Indian Tribes; (b) Did the Eleventh Circuit err in finding that the district court had subject matter jurisdiction over the arbitration alleged to have been conducted pursuant to that contract, and should the Tribe be subjected to litigation when it is clear both on the face of the statute and in the legislative history that no private cause of action exists under IGRA for management con-

---

[6] The court was also careful to explain that its decision did not conflict with its prior ruling that Tamiami's *original* complaint did not state a federal question: it was the subsequent licensing dispute, "not the earlier termination dispute[,] that provides a basis for exercising federal question jurisdiction over Tamiami's current complaint." Pet. App. 94a-95a n.12.

tractors? [Pet. for Cert., *Miccosukee Tribe of Indians of Florida* v. *Tamiami Partners, Ltd.*, No. 99-1013.]

Tamiami opposed the petition. It observed, among other things, that the question whether IGRA created a private right of action had been resolved *in the Tribe's favor* by the Eleventh Circuit in *Tamiami II*, and that the Court of Appeals's decision in *Tamiami III* that Tamiami's second amended complaint presented a viable federal question comported with this Court's teachings. Opp. 17-20, 21-26. This Court denied certiorari and denied the Tribe's subsequent petition for rehearing from the denial of certiorari. 529 U.S. 1018 (2000); 529 U.S. 1125 (2000).

On remand to the District Court, both Tamiami and the Tribe moved for summary judgment. The District Court entered judgment for Tamiami, requiring the Tribe to comply with the arbitrators' ruling by paying Tamiami $9.5 million, plus prejudgment interest. Pet. App. 7a-45a.

Once again the Tribe appealed. And once again it raised the arguments it had raised so many times before—that IGRA provided no private right of action and that the Tribe had not waived its immunity from suit. The Tribe also claimed that the arbitral award was unenforceable for a panoply of reasons, including that the tribal court had purportedly "stayed" the final arbitration hearing before it went forward, rendering the subsequent award void under Florida law.

In addition, in one paragraph of its brief, the Tribe for the first time on appeal introduced a new twist on its old subject-matter-jurisdiction refrain: that "a federal court does not have subject matter jurisdiction over an action to compel or stay arbitration merely because the underlying claim raises a federal question." Appellant's Br. 42. It drew inspiration for this new argument from dicta in one footnote in the Eleventh Circuit's 1999 *Tamiami III* opinion, which opined without

elaboration that a court could "look through" arbitration claims to the underlying dispute to discern whether federal-question jurisdiction was available. *See* Pet. App. 94a n.11.

9. ***Tamiami IV.*** The Eleventh Circuit affirmed in an unpublished opinion. Pet. App. 1a-6a ("*Tamiami IV*"). It rejected—again—the Tribe's contention that the District Court lacked jurisdiction to hear the case: "This Court has twice ruled that the district court ha[d] jurisdiction to hear the case because it implicates the Indian Gaming Regulatory Act." *Id.* at 3a (citing *Tamiami II* and *Tamiami III*). Finding "no changes to this case which would divest the district court of jurisdiction," the Court of Appeals held, "for the third time, that the district court had jurisdiction to hear the case." Pet. App. 3a.

The Court of Appeals made equally short work of the Tribe's other contentions, including the Tribe's argument that the arbitration award was void because the arbitration hearing had been "stay[ed]" by the Miccosukee tribal court. *Id.* at 4a. The Eleventh Circuit observed—just as the Tribe itself had previously, *see supra* at 10—that "the arbitration panel's authority came from the parties' agreement, not from the courts. Even Florida courts do not have the power to stay arbitration unless they determine that no arbitration agreement exists." *Id.* at 3a-4a (citing Fla. Stat. § 682.03 and *Mirson* v. *Corradino Group, Inc.*, 751 So. 2d 699 (Fla. 3d Dist. Ct. App. 2000)).

The Tribe petitioned for rehearing and rehearing en banc of the Eleventh Circuit's decision in *Tamiami IV*. The Court of Appeals denied the petition without dissent. Pet. App. 246a-247a.

REASONS FOR DENYING THE WRIT

Compared to the long procedural history of this case, the merits of the Tribe's petition warrant mercifully briefer treatment. The first question presented in the Tribe's peti-

tion—to the extent it is not a rehash of its earlier unsuccessful attempt to seek certiorari—asks the Court to grant certiorari to review dictum in a footnote in the Eleventh Circuit's 1999 *Tamiami III* decision. The second question presented in the Tribe's petition asks the Court to take up issues that are not present in this case and were not pressed or passed upon below.

I. THIS COURT SHOULD DECLINE TO GRANT REVIEW OF DICTUM IN A FOOTNOTE IN *TAMIAMI III*.

1. From *Tamiami I* through *Tamiami IV*, the Eleventh Circuit consistently applied the appropriate standard for determining whether federal-question jurisdiction exists to the particular facts of this complicated case. In each of its decisions the Court of Appeals examined whether the complaint on its face sought a remedy expressly granted by a federal statute or, alternatively, asserted a claim requiring construction of a federal statute. *See Franchise Tax Bd.*, 463 U.S. at 9-10; *T. B. Harms Co.* v. *Eliscu*, 339 F.2d 823, 828 (2d Cir. 1964) (Friendly, J.), *cert. denied*, 381 U.S. 915 (1965). The Court of Appeals concluded in *Tamiami I* that Tamiami's original complaint on its face did not present a federal question, because it challenged only the Tribe's purported termination of the Management Agreement in breach-of-contract terms. Pet. App. 208a (citing *Merrell Dow*, 478 U.S. at 808, and *Franchise Tax Board*, 463 U.S. at 9-10). At the Eleventh Circuit's invitation, Pet. App. 212a, Tamiami remedied that deficiency in its subsequent complaint, which the Court of Appeals found in *Tamiami II* sufficiently implicated IGRA as to create a federal question. *Id.* at 155a-156a.

When the next iteration of Tamiami's complaint, based on the same nucleus of facts and involving the same federal statute, again came before the Court of Appeals in *Tamiami III*, the Court of Appeals correctly concluded that Tamiami's

request for an arbitral remedy did not alter the fact that the complaint still sufficiently implicated IGRA as to pose a federal question. *Id.* at 94a-95a. And the Court of Appeals reaffirmed that holding in *Tamiami IV*, concluding that the District Court properly exercised jurisdiction over Tamiami's complaint "because it implicates the Indian Gaming Regulatory Act." *Id.* at 3a. *See Bruce H. Lien Co.* v. *Three Affiliated Tribes*, 93 F.3d 1412, 1421-22 (8th Cir. 1996) (finding federal-question jurisdiction over suit to compel arbitration of management agreement between Indian tribe and non-tribal operator, on grounds that "the entire association between the parties (and their various disputes) arise under IGRA, and * * * the management agreement at issue, once approved, remains so until disapproved by [the National Indian Gaming Commission]").

The Tribe sought review of *Tamiami III*'s jurisdictional ruling in its first petition for certiorari, and review was denied. 529 U.S. 1018. Now, after *Tamiami IV*, the Tribe has returned with a second petition for certiorari, challenging a *footnote* in *Tamiami III*. In that footnote, the Eleventh Circuit opined that the Federal Arbitration Act permitted the court to " 'look through' Tamiami's arbitration request at the underlying licensing dispute in order to determine whether Tamiami's complaint states a federal question." Pet. App. 94a n.11 (citing 9 U.S.C. § 4). Elevating that 1999 footnote to the "holding[]" of what it has collectively dubbed the "*Tamiami* decisions," Pet. 9, the Tribe now claims that that statement brings the Eleventh Circuit into sharp conflict with some other courts of appeal, which—when confronted with complaints which on their face seek only arbitration of disputes with a federal flavor—have concluded that federal question jurisdiction does not exist. *Id.* at 11-12.

That is meritless. To begin with, the 1999 footnote is dictum. As we observed in our opposition to the Tribe's first petition for certiorari, the Eleventh Circuit reached the conclusion it did in *Tamiami III* for the same reason it had in

Tamiami II: it concluded that Tamiami's complaint on its face presented a federal question because on the facts of this particular case the complaint sufficiently implicated IGRA. Pet. App. 94a-95a; *see id.* at 155a-156a (*Tamiami II*). To conclude that the Eleventh Circuit based its jurisdictional holding not on the complaint, but solely on unspecified federal claims lurking "behind" the complaint—as the Tribe now alleges—this Court would have to find that the Eleventh Circuit in *Tamiami III* abandoned, without acknowledgment, the line of precedent on which it had previously consistently relied, requiring courts to examine complaints on their face to determine whether a federal question exists. The Court of Appeals plainly did not depart from a proper application of the subject-matter jurisdiction standard. The fact that the Tribe did not in any way raise the *Tamiami III* footnote in its prior petition for certiorari from that decision goes far to undermine its present claim that the footnote actually represents the holding below.

The Tribe also argues that the footnote in the Eleventh Circuit's 1999 decision created a "circuit split" warranting certiorari treatment. Pet. 12-13. That is wrong again. First, as we have already observed, the footnote with which petitioner now takes issue does not constitute the holding of the Court of Appeals; it is dicta, and it does not suffice to create a conflict with the holdings of other courts of appeal. *See* Robert L. Stern, *et al.*, *Supreme Court Practice* 225 (8th ed. 2002) ("[T]here must be a real or 'intolerable' conflict on the same matter of law or fact, not merely an inconsistency in dicta").

Even aside from that, the "split" the Tribe posits does not exist. The 1997 Fourth Circuit case to which the Tribe points to justify the "split," *Gibraltar, P.R., Inc.* v. *Otoki Group, Inc.*, 104 F.3d 616 (4th Cir. 1997), did not find federal-question jurisdiction based on disputes underlying a claim for arbitration; it concluded that the disputes did not pose a federal question at all. *See* Stern, *supra*, at 225 (splits should

not be predicated on "inconsistency in dicta"). The only other case the Tribe identifies as contributing to the "split" is a District of Puerto Rico case, *Dean Witter Reynolds, Inc.* v. *Sanchez Espada*, 959 F. Supp. 73, 76 (D.P.R. 1997). This decision obviously does not demonstrate a conflict among the circuits. *See* S. Ct. Rule 10(a) (Court will consider granting certiorari when "a United States court of appeals has entered a decision in conflict with the decision of another United States court of appeals"). And, perhaps most tellingly, the Tribe identifies *no* cases relying on *Tamiami III*'s footnote "holding" to find subject-matter jurisdiction over a complaint that on its face fails to state a federal question.

Nor, finally, should this Court leap at the chance to resolve the purported "circuit split" when the Tribe below aired this issue in just one paragraph in its most recent appeal brief. The Court should decline to grant certiorari on what the Tribe labels an "important question[]," Pet. 8, until a case arrives in which the parties have fully aired the issue, and the lower court has actually rested its holding—not just dropped a footnote—on it.

2. The next portion of the Tribe's petition for certiorari is a point-for-point rehash of its prior petition. *Compare id.* at 17-20 & n.7 with Pet. for Cert. (No. 99-1013) 13-15. In its first petition, the Tribe challenged the Eleventh Circuit's decision finding subject-matter jurisdiction based on IGRA on grounds that IGRA provided for no private right of action. *See* Pet. for Cert. (No. 99-1013) 12-19. The Tribe now argues again that "no federal question is present here because the federal statute invoked, IGRA, does not give [Tamiami] a private right of action against the Tribe." Pet. 17; *see id.* at 18, 19, 20.

Petitioner's arguments again should be rejected. Federal question jurisdiction lies not just when "federal law creates the cause of action," but also when "the plaintiff's right to relief necessarily depends on resolution of a substantial

question of federal law." *Franchise Tax Board*, 463 U.S. at 27-28. *See also Smith* v. *Kansas City Title & Trust Co.*, 255 U.S. 180, 199 (1921) ("where it appears from the [complaint] that the right to relief depends upon the construction or application of the Constitution or laws of the United States, and that such federal claim is not merely colorable, and rests upon a reasonable foundation, the District Court has jurisdiction"); *Columbia Gas Trans. Corp.* v. *Drain*, 191 F.3d 552, 559 (4th Cir. 1999) (complaint poses federal question if it "turn[s] on some construction of federal law") (quotation omitted); *Lindy* v. *Lynn*, 501 F.2d 1367, 1369 (3d Cir. 1974) (noting that "[a]n action arises under the laws of the United States if * * * it requires the construction of a federal statute"); *T. B. Harms*, 339 F.2d at 828. The fact that the federal statute itself may not provide a private right of action is thus not determinative of jurisdiction. *See, e.g., West 14th Street Commercial Corp.* v. *5 West 14th Owners Corp.*, 815 F.2d 188, 196 (2d Cir.) (although federal statute conferred no private right of action, the "federal ingredient" in plaintiff's complaint was "still * * * sufficiently substantial to confer [§ 1331] jurisdiction"), *cert. denied*, 484 U.S. 850 (1987).[7]

We noted in our opposition to the Tribe's first petition that other courts of appeal have concluded, like the Eleventh Circuit, that claims requiring interpretation of IGRA and its implementing regulations present a federal question. Opp.

---

[7] *See also Platzer* v. *Sloan-Kettering Inst. for Cancer Research*, 787 F. Supp. 360, 366-367 (S.D.N.Y.) (finding subject-matter jurisdiction over breach-of-contract claim requiring interpretation of federal statute: "even where no private right of action exists for the underlying federal issue, if the nature of the federal issue is sufficiently substantial, subject matter jurisdiction may still exist"), *aff'd*, 983 F.2d 1086 (Fed. Cir. 1992), *cert. denied*, 507 U.S. 1006 (1993); *cf. Milan Express Co.* v. *Western Surety Co.*, 886 F.2d 783, 786-787 (6th Cir. 1989) (claim "ar[o]se[] under an act of Congress regulating commerce" and created jurisdiction under 28 U.S.C. § 1337(a), although act created no private right of action).

(No. 99-1013) at 24-25 (citing *Bruce H. Lien Co.*, 93 F.3d at 1416; *Pueblo of Santa Ana* v. *Kelly*, 104 F.3d 1546, 1557 (10th Cir. 1997) ("IGRA is a federal statute, the interpretation of which presents a federal question suitable for determination by a federal court."), *cert. denied*, 522 U.S. 807 (1997); and *Cabazon Band of Mission Indians* v. *Wilson*, 124 F.3d 1050, 1055-56 (9th Cir. 1997) (although "federal courts do not have jurisdiction over run-of-the-mill contract claims brought by Indian tribes," claim based on tribal-state compact, "a creation of federal law" with its scope prescribed by IGRA, presented federal question), *cert. denied*, 524 U.S. 926 (1998)). Nothing has changed since the Tribe's first petition. *See New Mexico* v. *Pueblo of Pojoaque*, 30 Fed. Appx. 768, 769 (10th Cir. 2002) (affirming district court's determination that IGRA provided a "foundation for * * * federal question jurisdiction").[8] This Court should

---

[8] *See also Diamond Game Enters., Inc.* v. *Reno*, 9 F. Supp. 2d 13, 16 (D.D.C. 1998) (controversy requiring "interpretation and application of the IGRA" presented federal question), *rev'd on other grounds*, 230 F.3d 365 (D.C. Cir. 2000); *Abdo* v. *Fort Randall Casino*, 957 F. Supp. 1111, 1114 (D.S.D. 1997) (finding federal question jurisdiction over contract dispute because the dispute "involve[d] the manager of an IGRA regulated Indian gaming casino" and an Indian tribe); *Calvello* v. *Yankton Sioux Tribe*, 899 F. Supp. 431, 435 (D.S.D. 1995) (finding federal question jurisdiction where parties disputed whether management contract was governed by IGRA); *Willis* v. *Fordice*, 850 F. Supp. 523, 530 (S.D. Miss. 1994) (suit requiring court to "interpret the provisions of the IGRA" presented federal question), *aff'd*, 55 F.3d 633 (5th Cir. 1995); *Tom's Amusement Co.* v. *Cuthbertson*, 816 F. Supp. 403, 406 (W.D.N.C. 1993) (finding federal question jurisdiction over a contract dispute between a supplier of gaming machines and a management contractor, where the contracts were governed by IGRA); *Ross* v. *Flandreau Santee Sioux Tribe*, 809 F. Supp. 738, 741 (D.S.D. 1992) (finding federal question jurisdiction where "primary focus" of litigation "relates to an interpretation of [IGRA]"); *Rita, Inc.* v. *Flandreau Santee Sioux Tribe*, 798 F. Supp. 586, 587-588 (D.S.D. 1992) (finding federal question

decline to grant certiorari on the same issue it correctly rejected once before—whether the particular facts of this case pose a federal question—when there has been no sea change in the interim warranting a second look at the question.

II. PETITIONER'S CHALLENGES TO THE CONFIRMATION OF THE ARBITRAL AWARD WERE EITHER NOT RAISED BELOW OR NOT PRESENTED IN THE CASE.

A. The Question Whether Tamiami Was Obligated To "Exhaust Tribal Remedies" Was Not Pressed Or Passed Upon Below.

1. The Tribe repeatedly argued in the District Court and the Eleventh Circuit that Florida law permitted the Miccosukee tribal court to stay arbitration, and that the arbitrators' award, which issued after the tribal court had ordered a "stay" of the arbitration proceedings, accordingly was void. *See* Mot. for J. on the Pleadings 8-12; Appellant's Br. 24-27. Citing Fla. Stat. § 682.03, the Tribe argued on appeal that the arbitral hearing "had no validity as a matter of Florida law, because a court which orders arbitration can stay arbitration." Appellant's Br. 24; *see also id.* at 26 (citing Fla. Stat. § 682.03); *id.* (citing Fla. Stat. § 682.03(4)); *id.* at 27 (arguing that "the Tribal Court properly stayed the arbitration pursuant to Fla. Stat. § 682.03(4)"). Section 682.03 of the Florida statutes permits a court, on application, to stay an arbitral proceeding if it concludes "that no agreement or provision for arbitration subject to this law exists." Fla. Stat. § 682.03(4).

In its responsive brief below, Tamiami explained that Section 682.03 did not authorize the tribal court to stay the

---

jurisdiction over contract dispute between casino operator and tribe, because the "action involves construing federal laws and the [management] agreement between the parties").

arbitration proceedings. Appellee's Br. 28-36. That statute applies only in situations where "no agreement [to arbitrate] * * * exists," Tamiami explained, and the Tribe had never contended that no agreement to arbitrate existed.[9] Agreeing with Tamiami, the Eleventh Circuit held that "Florida courts do not have the power to stay arbitration unless they determine that no arbitration agreement exists." *Id.* at 4a (citing Fla. Stat. § 682.03). And rejecting the Tribe's contention that the Miccosukee tribal court could stay the arbitration because it had "ordered" the arbitration to commence, the Court of Appeals further noted that the arbitrators' authority sprang not from the tribal court, but solely "from the parties' agreement." Pet. App. 3a-4a.

In its petition for certiorari, the Tribe has understandably abandoned its argument that Florida law permitted the tribe to stay the arbitration and rendered any subsequent award void. It now argues something quite different than it did below: that Tamiami should have been required to "exhaust its tribal court remedies" before it was permitted to sue the Tribe in federal court to enforce the arbitrators' award. Pet. 24-25. Relying on *National Farmers Union Insurance Cos.* v. *Crow Tribe*, 471 U.S. 845 (1985)—a case it did not cite once below—the Tribe argues that the lower courts should have invoked the judge-made "tribal exhaustion requirement" and refrained from taking jurisdiction over Tamiami's

---

[9] Tamiami also observed in its appeal brief that Section 682.03 applies only to *state* courts, not *tribal* courts, under the definitional statute governing that provision. *Id.* at 31 (citing Fla. Stat. § 682.18(1)). When the Florida legislature intends to include tribal courts within the ambit of a statute, it makes that intent clear. Appellee's Br. 31 (citing Fla. Stat. § 741.315 (defining "courts of a foreign state" to include tribal courts)); *see also Becenti* v. *Vigil*, 902 F.2d 777, 780 (10th Cir. 1990) (noting that "statutory language referring to actions commenced in 'State court' does not extend to * * * Tribal Court").

claims until the tribal court had an opportunity to pass on its own jurisdiction. Pet. 24-25.

This Court should decline to entertain an argument that was neither pressed nor passed on below. *See FW/PBS, Inc.* v. *City of Dallas*, 493 U.S. 215, 224 (1990) ("It is this Court's practice to decline to review those issues neither pressed nor passed upon below"). The Tribe never once made reference, either in the District Court or on appeal, to a "tribal exhaustion requirement." Indeed, only in passing did the Tribe advance the far more general notion that tribal courts in some circumstances may exercise authority over the activities of non-Indians on tribal lands. *See* Mot. for J. on the Pleadings 11 n.8; Appellant's Br. 27; *infra* at 27.

2. In any event, even if the Tribe adequately raised the issue below that it now presses here, the Eleventh Circuit's ruling was plainly right: the tribal court had no authority to "stay" the arbitration proceedings. The Tribe *itself* argued in a pre-hearing submission to the arbitral panel that the panel's authority was "derived *exclusively* from the contract or document creating the panel." *See* Ct. App. J.A. Doc. 311, Ex. 5, at 1 (emphasis added). The Eleventh Circuit was correct to reach the same conclusion. *See McDonald* v. *City of West Branch*, 466 U.S. 284, 290 (1984) ("an arbitrator's authority derives solely from the contract"); *Barnard* v. *Commercial Carriers, Inc.*, 863 F.2d 694, 697 (10th Cir. 1989) (recognizing "well-settled rule" that "the jurisdiction of arbitrators 'to make awards is derived from the agreement of submission' ") (quoting *Continental Materials Corp.* v. *Gaddis Mining Co.*, 306 F.2d 952, 954 (10th Cir.1962)); *Johnson* v. *University of Wisconsin-Milwaukee*, 783 F.2d 59, 62 (7th Cir. 1986) (arbitrator's authority is derived solely from arbitration agreement). Because the authority of the arbitration panel sprang exclusively from the parties' Man-

agement Agreement, the tribal court had no power to order arbitration, much less to stay it.[10]

The fact that the arbitrators were hearing a challenge involving an Indian tribe does not change this result, as the Eleventh Circuit correctly noted. Pet. App. 3a. The Tribe agreed to arbitrate claims relating to or arising under the Management Agreement, and it waived its immunity from suit in federal district court to compel such arbitration or enforce the terms of any award. *See id.* (citing *C & L Enters., Inc.* v. *Citizen Band Potawatomi Indian Tribe of Okla.*, 532 U.S. 411 (2001)).

C. The Question To What Extent A Tribal Court May Adjudicate A Tribe's Claims Against Non-Members Is Not Presented In This Case.

Nor, finally, does this case present a "excellent opportunity" to examine the extent to which a tribal court "has jurisdiction to adjudicate tribal members' claims against nonmembers" arising out of consensual business transactions. Pet. 27, 28. That question is simply not at issue in this case. *See The Monrosa* v. *Carbon Black Export, Inc.*, 359 U.S. 180 (1959) (certiorari dismissed as improvidently granted when question presented in petition turned out not to be presented in case). The Tribe sued Tamiami in tribal court back when this saga first began, raising claims related to Tamiami's purported breach of the Management Agreement. *See* Pet. App. 136a. But in October 1993, the Tribe *itself* asked the tribal court to dismiss its action against Tamiami. *See* Pet.

---

[10] This Court has also observed that an exception to the tribal "exhaustion" requirement exists when "an assertion of tribal jurisdiction is 'motivated by a desire to harass or is conducted in bad faith.' " *National Farmers Union Ins. Cos.*, 471 U.S. at 856-857 (quoting *Juidice* v. *Vail*, 430 U.S. 327, 338 (1977)). That is exactly what the arbitral panel concluded was going on in this case. *See* Ct. App. J.A. Doc. 311, Ex. 5, at 2-3.

App. 148a-149a (*Tamiami II*). At no time since have there been claims pending against Tamiami in a tribal court.

This Court should not grant certiorari to address what petitioner claims is an "important question," Pet. 29, when the question has been extinct in this case for nine years. *See Rogers* v. *United States*, 522 U.S. 252, 259 (1998) (dismissing writ of certiorari as improvidently granted where "the record does not fairly present the question that we granted certiorari to address"). This Court has more than once declined to address "whether tribes may generally adjudicate against nonmembers claims arising from on-reservation transactions"—a question that presents unique and complicated issues of sovereignty and jurisdiction. *Nevada* v. *Hicks*, 533 U.S. 353, 358 n.2 (2001); *see id.* (noting that Court "avoided the question" in *National Farmers Union Ins. Cos.*, 471 U.S. at 855-856); *id.* at 376 (Souter, J., concurring) (agreeing with petitioners in *Hicks* that "[t]ribal adjudicatory jurisdiction over non-members is 'ill-defined' "). This Court should again decline to take up that complex issue on these tenuous facts, and wait instead for a case in which the issue is ripe and was fully aired below, and which squarely presents the question left open in *Hicks*.

* * *

As the court below explained in its most recent opinion, "Tamiami was awarded $9.5 million in a valid, enforceable arbitration ruling over eight years ago." Pet. App. 6a. Since that time, "the contentious litigation conduct of Miccosukee * * * has delayed payment of this award." *Id.* The time to put a stop to that delay has come.

CONCLUSION

For the foregoing reasons, the petition should be denied.

Respectfully submitted,

JOSEPH M. MATTHEWS
MARC COOPER
COLSON HICKS EIDSON, P.A.
255 Aragon Avenue
Second Floor
Coral Gables, Florida 33134
(305) 476-7400

*Counsel of Record

JOHN G. ROBERTS, JR.*
CATHERINE E. STETSON
HOGAN & HARTSON L.L.P.
555 Thirteenth Street, N.W.
Washington, D.C. 20004
(202) 637-5810

Counsel for Respondent

Supreme Court, U.S.
FILED
OCT 29 2002
CLERK

(3)

No. 02-491

IN THE

Supreme Court of the United States

MICCOSUKEE TRIBE OF INDIANS OF FLORIDA,

Petitioner,

v.

TAMIAMI PARTNERS, LTD.,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE ELEVENTH CIRCUIT

REPLY BRIEF

SONIA ESCOBIO O'DONNELL
STEPHAN I. VOUDRIS
JORDEN BURT LLP
777 Brickell Avenue
Suite 500
Miami, FL 33131
(305) 371-2600

DEXTER W. LEHTINEN
Counsel of Record
LEHTINEN, VARGAS & REINER, P.A.
7700 North Kendall Drive
Suite 303
Miami, FL 33156
(305) 279-1166

Attorneys for Petitioner

177089

COUNSEL PRESS
(800) 274-3321 • (800) 359-6859

15 pp

TABLE OF CONTENTS

	Page
TABLE OF CITED AUTHORITIES	ii
I. THE RESPONSE MISREPRESENTS OR IGNORES THE CONFLICTS IN THE CIRCUITS ON THE JURISDICTIONAL ISSUES	1
II. THE TRIBAL COURT ISSUES WERE SQUARELY PRESENTED BELOW	7
III. REPLY TO RESPONDENT'S INTRODUCTION AND COUNTERSTATEMENT	9

TABLE OF CITED AUTHORITIES

Page

Cases:

Ayres v. General Motors Corp.,
234 F.3d 514 (11th Cir. 2000) 5

Bank One v. Shumake,
281 F.3d 507 (5th Cir. 2002), *cert. denied*,
No. 01-1732, 2002 WL 1173484 (U.S. Oct. 7,
2002) 7

Cabazon Band of Mission Indians v. Wilson,
124 F.3d 1050 (9th Cir. 1997) 5, 6

City of Huntsville v. City of Madison,
24 F.3d 169 (11th Cir. 1994) 5

Gibraltar, P.R., Inc. v. Otoki Group, Inc.,
104 F.3d 616 (4th Cir. 1997) 3

Household Bank v. JFS Group,
191 F. Supp.2d 1292 (M.D. Ala. 2002) 4

Iowa Mutual Insurance Co. v. LaPlante,
480 U.S. 9 (1987) 7, 8

Long v. Bando Manufacturing of America, Inc.,
201 F.3d 754 (6th Cir. 2000) 5

Mandel v. Miccosukee Tribal Gaming Agency,
22 Indian L. Rptr. 6148 (Mic. Tr. Ct. 1994) 9

Merrell Dow Pharmaceuticals Inc. v. Thompson,
478 U.S. 804 (1986) ..... *passim*

Cited Authorities

	Page
Montana v. United States, 450 U.S. 544 (1981)	8
Moses H. Cone Memorial Hospital v. Mercury Construction Corp., 460 U.S. 1 (1983)	3
National Farmers Union Insurance Co. v. Crow Tribe, 471 U.S. 845 (1985)	7
Ormet Corp. v. Ohio Power Co., 98 F.3d 799 (4th Cir. 1996)	5
PCS 2000 LP v. Romulus Telecommunications, Inc., 148 F.3d 32 (1st Cir. 1998)	5
Pueblo of Santa Ana v. Kelly, 104 F.3d 1546 (10th Cir. 1997)	6
Rogers v. Platt, 814 F.2d 683 (D.C. Cir. 1987)	5
Seinfeld v. Austen, 39 F.3d 761 (7th Cir. 1994)	5
Smith Barney, Inc. v. Sarver, 108 F.3d 92 (6th Cir. 1997)	1
Sparta Surgical Corp. v. National Association of Securities, 159 F.3d 1209 (9th Cir. 1998)	5

Cited Authorities

Page

TCG Detroit v. City of Dearborn,
206 F.3d 618 (6th Cir. 2000) 5

West 14th St. Commercial Corp. v.
5 West 14th Owners Corp.,
815 F.2d 188 (2d Cir. 1987) 5

Willy v. Coastal Corp., 855 F.2d 1160 (5th Cir. 1988)
..... 5

Zubi v. AT&T Corp.,
219 F.3d 220 (3d Cir. 2000) 5

Statutes:

Fla. Stat. § 682.03 8

Fla. Stat. § 682.13 8

9 U.S.C. § 10 8

Other Authority:

Note, *Mr. Smith Goes to Federal Court:*
Federal Question Jurisdiction Over
State Law Claims Post-Merrell Dow,
115 Harv. L. Rev. 2272 (June 2002) 5

Tamiami Partners, Ltd. ("TPL") cannot dispute that most circuits have held "the Federal Arbitration Act does not supply an independent basis for federal jurisdiction, nor does the federal nature of the underlying [arbitral] claims." *Smith Barney, Inc. v. Sarver*, 108 F.3d 92, 94 (6th Cir. 1997). Nor can TPL dispute that *Merrell Dow Pharmaceuticals Inc. v. Thompson*, 478 U.S. 804, 817 (1986) held that

> a complaint alleging a violation of a federal statute as an element of a state cause of action, when Congress has determined that there should be no private, federal cause of action for the violation, does not state a claim "arising under the Constitution, laws or treaties of the United States."

Finally, TPL cannot dispute that this Court's precedents: 1) recognize the authority of Tribes to regulate consensual commercial transactions with non-Indians on tribal lands; 2) require litigants dissatisfied with tribal court rulings to exhaust tribal remedies before challenging them in federal court; and 3) preclude relitigation of issues decided by tribal courts acting within their jurisdiction. Instead, the Response tries to camouflage the important conflicts with these principles presented by the Petition. This Reply demonstrates that certiorari should be granted to resolve the important federal questions that have been thoroughly developed below.

I. THE RESPONSE MISREPRESENTS OR IGNORES THE CONFLICTS IN THE CIRCUITS ON THE JURISDICTIONAL ISSUES.

A. TPL argues that the Tribe's jurisdictional challenge should not be reviewed because it applies to "a *footnote* in *Tamiami III*" Opp. 19, and that the "footnote is dictum" *id.*, because a federal question appears on the face of the Second Amended Complaint ("Complaint"). Nothing could be further from the truth. *Tamiami III* "looked through" the arbitration request to the underlying arbitral contract claim and found jurisdiction because the Management Agreement between the

Tribe and TPL purportedly "implicated" the Indian Gaming Regulatory Act ("IGRA"). As the opinion makes clear, there is no other basis for federal jurisdiction over TPL's claims:

> The *Tamiami II* panel concluded that these claims arose under federal law because the Agreement incorporated – by operation of law if not by reference – the provisions of IGRA and its associated regulations regarding licensing procedures. Because federal law is equally implicated when these claims are presented in the arbitration context, we must follow the *Tamiami II* panel's conclusion here. We hold, therefore, that the first three counts of Tamiami's complaint state a federal question insofar as they relate to the Tribe's rejection of gaming license applications.

Tamiami III, Pet. App. 94a (citations and footnotes omitted). The footnote which TPL argues is dicta is a necessary part of the holding:

> The Federal Arbitration Act empowers a district court to issue an order compelling arbitration if the court, "save for [the arbitration] agreement, would have jurisdiction under title 28, in a civil action . . . of the subject matter of a suit arising out of the controversy between the parties." 9 U.S.C. § 4 (1994). Thus, it is appropriate for us to "look through" Tamiami's arbitration request at the underlying licensing dispute in order to determine whether Tamiami's complaint states a federal question.

Tamiami III, Pet. App. 94a n.11. In fact, in granting summary judgment, the district court relied on this holding in *Tamiami III*, Pet. App. 30a-33a, and *Tamiami IV* adopted it. Pet. App. 3a.

Tamiami III summarizes the claims in TPL's Complaint, none of which state a federal claim: Counts one (a), two, and three sought respectively: a declaration that the disputes over

the Agreement are arbitrable, a judgment to enforce the arbitration "award" and a judgment compelling further arbitration. Pet. App. 98a-99a. Counts one (b), four and six, dismissed by *Tamiami III* on sovereign immunity grounds, sought a declaration that frozen funds belong to TPL, an injunction compelling the return of these funds and an accounting and constructive trust. No federal claim was asserted on the face of the Complaint. The only references to IGRA were in the factual background and refer only to IGRA's requirements for management agreements generally. Complaint ¶¶ 15, 16, 17 and 22. None of the claims in the Complaint required an interpretation of the provisions of IGRA or any other federal statute. Instead, the Eleventh Circuit found federal jurisdiction by reaching through the arbitration request to the underlying arbitral contract claim which purportedly implicated IGRA – a statute which provides no private right of action.

Footnote 11 is part of the holding and adds to the conflict which exists among the circuits over the language in *Moses H. Cone Memorial Hospital v. Mercury Construction Corp.*, 460 U.S. 1, 25 n.32 (1983), which has been used by some courts to support the proposition that one can look to the underlying claim in arbitration to establish federal question jurisdiction. Respondent does not address *Moses H. Cone*, hoping perhaps that this important issue will be overlooked when this Court considers whether to grant certiorari.

The conflict in the circuits is squarely presented by the Eleventh Circuit's decisions in *Tamiami* and by the Fourth Circuit in *Gibraltar, P.R., Inc. v. Otoki Group, Inc.*, 104 F.3d 616 (4th Cir. 1997) (considering the underlying claim but finding that it did not present a federal question) on one hand, and every other circuit which has decided the question, on the other. Pet. at 11-15 (collecting cases). Both the Eleventh and Fourth Circuits have squarely held that a court can look to the underlying arbitral claim to find federal jurisdiction. These holdings impermissibly expand the jurisdiction of federal courts by allowing courts to look beyond the face of plaintiff's

well-pleaded complaint to the underlying claim in arbitration, and therefore present this Court with an important issue of federal law to resolve. One district court has already relied on the holding in *Tamiami III* and specifically the language in footnote 11. *See Household Bank v. JFS Group*, 191 F. Supp.2d 1292, 1300 and n.3 (M.D. Ala. 2002). This issue is ripe for review and the Court should grant certiorari to resolve the conflict in the circuits.[1]

B. TPL argues this Court should deny the Tribe's Petition because the "first" petition (the one filed by the Tribe after the Eleventh Circuit's interlocutory opinion in *Tamiami III*) involved the same issues as the present Petition and because that "first" petition was denied. Opp. 21-22. TPL's argument is wrong. The "first" petition did not present all the issues presented in this Petition, nor was there a requirement to do so. More importantly, as TPL was quick to point out in its "first" response, interlocutory appeals are seldom if ever reviewed. Pet. App. 285a. This Court can review all interlocutory decisions in a case, even those where certiorari was previously denied. Pet. at 7 n.3. The fact that this Court previously denied the Tribe's petition from an interlocutory appeal is, therefore, irrelevant and simply another distraction by TPL.

C. TPL ignores *Merrell Dow*'s express holding that there is no federal question jurisdiction over a state law claim incorporating a federal statute which provides no private right of action, *Merrell Dow*, 478 U.S. at 817, and instead cites subsequent lower court decisions opining that *Merrell Dow* does not create a bright line rule. Opp. 22 and 22 n.7. But these decisions merely illustrate the conflict in the circuits regarding

1. TPL incorrectly argues that the issue has not been "fully aired" by the Tribe. The Tribe's appellate brief as well as the Tribe's Petition for Rehearing and Rehearing En Banc fully presented this issue. Neither document presented it in only one paragraph, as TPL incorrectly states. More importantly, the Eleventh Circuit's decision in *Tamiami III* clearly sets forth its holding on this point and presents this Court with a clear opinion on which to address the issue.

the import of *Merrell Dow*. As one commentator has recently explained:

> In light of [*Merrell Dow*'s] conflicting language and the Court's subsequent silence, the circuits have split nearly evenly, and sometimes within themselves, on the status and scope of *Merrell Dow*'s private right of action requirement. The crux of the disagreement is whether the presence of a private right of action is the only road to [] jurisdiction after *Merrell Dow* or whether [] jurisdiction remains open for state law claims that present federal issues that a federal court should decide. As a result of the nearly even split among the appellate courts, litigants will find it difficult to predict whether a court will take jurisdiction over their [] claims in the absence of a federal cause of action.

Note, *Mr. Smith Goes to Federal Court: Federal Question Jurisdiction Over State Law Claims Post-Merrell Dow*, 115 Harv. L. Rev. 2272, 2281-82 (June 2002); *id.* n.51 (collecting circuit decisions).[2] This Court should grant certiorari to resolve

---

2. *Compare Zubi v. AT&T Corp.*, 219 F.3d 220, 223 n.5 (3d Cir. 2000) (finding that a private cause of action is required), and *Ayres v. Gen. Motors Corp.*, 234 F.3d 514, 519 n.8 (11th Cir. 2000) (same), and *TCG Detroit v. City of Dearborn*, 206 F.3d 618, 622 n.2 (6th Cir. 2000) (same), and *Sparta Surgical Corp. v. Nat'l Ass'n of Sec.*, 159 F.3d 1209, 1212 (9th Cir. 1998) (same), and *PCS 2000 LP v. Romulus Telecomms., Inc.*, 148 F.3d 32, 35 (1st Cir. 1998) (same), and *Seinfeld v. Austen*, 39 F.3d 761, 764 (7th Cir. 1994) (same), and *Willy v. Coastal Corp.*, 855 F.2d 1160, 1167-69 (5th Cir. 1988) (same), and *Rogers v. Platt*, 814 F.2d 683 (D.C. Cir. 1987) (same), with *Long v. Bando Mfg. of Am., Inc.*, 201 F.3d 754, 759 (6th Cir. 2000) (finding lack of private right of action not to be dispositive), and *Cabazon Band of Mission Indians v. Wilson*, 124 F.3d 1050, 1056 (9th Cir. 1997) (same), and *Ormet Corp. v. Ohio Power Co.*, 98 F.3d 799, 806 (4th Cir. 1996) (same), and *City of Huntsville v. City of Madison*, 24 F.3d 169, 174 (11th Cir. 1994) (same), and *W. 14th St. Commercial Corp. v. 5 W. 14th Owners Corp.*, 815 F.2d 188, 196 (2d Cir. 1987) (same).

the split in the circuits regarding whether *Merrell Dow* establishes a bright line rule that Congress' decision to provide no private remedy in a statute "is tantamount to a congressional conclusion that the presence of a claimed violation of the statute as an element of a state cause of action is insufficiently 'substantial' to confer federal-question jurisdiction." *Merrell Dow*, 478 U.S. at 814.

TPL misleadingly relies on decisions which involve direct claims under IGRA. For example, the Response cites *Pueblo of Santa Ana v. Kelly*, 104 F.3d 1546, 1557 (10th Cir. 1997) and *Cabazon Band of Mission Indians*, 124 F.3d at 1055-56, both involving interpretations of IGRA's tribal-state compact provisions. The *Tamiami* decisions clearly did not interpret IGRA. The Complaint seeks to enforce an arbitration "award" and to compel further arbitration. There is no claim under IGRA, or even a state claim that requires interpretation of IGRA. The Eleventh Circuit's determination that TPL's claims "implicated" IGRA, Pet. App. 94a, conflicts with the holding in *Merrell Dow* because IGRA does not provide TPL with a private right of action.

TPL sought to compel arbitration and to enforce an arbitral award. *Tamiami IV* upheld the district court's summary judgment on the state law arbitration claim. Pet. App. 2a-6a. There is no federal claim on the face of the Complaint. The district court's decision granting summary judgment also does not resolve any federal claim, much less a substantial one. Pet. App. 34a-41a. The district court simply adopts *Tamiami III*'s incorrect *holding* that it could "look through Tamiami's arbitration request" to determine federal question jurisdiction. Pet. App. 33a. The confusion, apparent from the cases cited in TPL's Response, presents a compelling reason to grant certiorari to resolve the conflict with *Merrell Dow* and to dispel the confusion that exists in the circuits on the issue of whether *Merrell Dow* establishes a bright line rule.

II. THE TRIBAL COURT ISSUES WERE SQUARELY PRESENTED BELOW.

A. TPL's argument that the Tribe's "challenges to the confirmation of the arbitral award were either not raised below or not presented in the case," Opp. 24, is wrong. The Tribe has consistently taken the position that the dispute between TPL and the Tribe should have been resolved by the Tribal Court.[3] Deference to tribal courts requires exhaustion of tribal remedies. Nor is Respondent's argument that the Tribe did not "cite once below" to *National Farmers Union Insurance Co. v. Crow Tribe*, 471 U.S. 845 (1985) either accurate or important. The Tribe did cite *National Farmers* in its Petition for Rehearing. In its brief, the Tribe relied on other cases including *Iowa Mutual Insurance Co. v. LaPlante*, 480 U.S. 9 (1987), which stand for the same proposition as *National Farmers* – that tribal courts are entitled to deference.

The Tribe's Petition also relied on a very recent case, *Bank One v. Shumake*, 281 F.3d 507, 514-15 (5th Cir. 2002), *cert. denied*, No. 01-1732, 2002 WL 1173484 (Oct. 7, 2002), which holds that the tribal exhaustion doctrine applies to suits to compel arbitration under the Federal Arbitration Act. *Shumake* is in direct conflict with the *Tamiami* decisions.[4]

---

3. In its Answer and Affirmative Defenses, the Tribe asserted that "jurisdiction to enforce or otherwise dispose of the so-called arbitration award is vested in the Miccosukee Tribal Court, which ordered and supervised the arbitration proceedings and can only be enforced and/or reviewed by that court." Tribe's Thirtieth Affirmative Defense to the Second Amended Complaint. Doc. 294 at 22. The Tribe "pressed" that position in numerous pleadings below, Doc. 214 at 9-10; Doc. 302 at 8-12; Doc. 304 at 5-8; Doc. 316 at 6, and has always maintained that position on appeal. Tribe's Brief in *Tamiami III* at 43-46; Tribe's Brief in *Tamiami IV* at 24-29.

4. Contrary to the Response Opp. at 24-25, the Tribe has not abandoned its argument that Florida law permitted the Tribe to stay the arbitration. The issue was not pressed in the Petition because a federal court's erroneous construction of state law is not one of the primary

B. TPL ignores the Tribe's contention that the Eleventh Circuit improperly reviewed the merits of the Tribal Court orders staying the arbitration and then vacating the award. Opp. 24-28. TPL concedes by its silence that the decision is in direct conflict with *Iowa Mutual*'s command that unless the federal court determines that the tribal court lacked jurisdiction, the federal court must defer to the tribal court and cannot allow relitigation of issues resolved by it. *See Iowa Mut.*, 480 U.S. at 19. Certiorari should be granted to resolve this square conflict.

C. TPL also asserts that the question of tribal court jurisdiction over nonmembers is not presented in this case because the Tribal Court suit against TPL was dismissed in October 1993. Opp. 27. This is nonsense. The Tribal Court suit was dismissed only after the Tribal Court stayed the arbitration and then vacated the award. The validity of these Tribal Court rulings depends on whether the Tribal Court had jurisdiction at the time it rendered them. *See Iowa Mutual*, 480 U.S. at 19. The Tribe consistently argued below that the Tribal Court had jurisdiction to enter the arbitration orders because the suit arose out of TPL's consensual commercial dealings with the Tribe. *See, e.g., Montana v. United States*, 450 U.S. 544, 565 (1981) ("A tribe may regulate . . . the activities of nonmembers who enter consensual relationships with the tribe or its members."). Thus, whether the Tribal Court had jurisdiction over TPL is an issue properly presented by the Petition.

(Cont'd)

bases for certiorari review. Furthermore, the fact that an arbitrator's authority may derive from the contract obviously does not mean a court has no authority to stay an arbitration or vacate an award. *See* Fla. Stat. §§ 682.03 & 682.13; 9 U.S.C. § 10.

III. REPLY TO RESPONDENT'S INTRODUCTION AND COUNTERSTATEMENT.

In its Response, TPL presents a misleading statement of facts portraying itself as a victim of the Tribe who, according to TPL, "attempted to purchase TPL's interest . . . ." Opp. 2. TPL's version omits the relevant facts that led to the deterioration of the relationship between the Tribe and TPL.[5] TPL's violations of the Agreement – its refusal to honor Indian hiring preferences, its failure to obtain required gaming licenses and its disregard of the Tribe's concern with organized crime influences in Tribal enterprises – led to the Tribe's notice to TPL that the terms of the Agreement had been breached. The refusal by TPL to comply with the request of the Miccosukee Tribal Chairman to stop purchasing bingo paper from Nannicola Paper Co., a company that is linked to organized crime by the Pennsylvania Crime Commission's Report, was only one of many breaches by TPL of the Agreement. *See Mandel v. Miccosukee Tribal Gaming Agency*, 22 Indian L. Rptr. 6148, 6149 (Mic. Tr. Ct. 1994) (finding that TPL's decision to continue purchasing bingo paper from a company connected to organized crime was a sufficient basis to deny gaming licenses to TPL principals). The Tribe did not "attempt to purchase" TPL's interest in the Bingo hall. Rather, there were some discussions to try to settle the contract disputes.

The tortured history of this case cannot be laid at the door of the Tribe. TPL ignored Tribal Court orders and generally

---

5. Despite TPL's attempts to portray the Tribal Court in a negative light, it was the Tribal Court that ordered the arbitration which resulted in the "award" that has been the subject of this litigation. The Tribe obeyed the Tribal Court's order and participated in all preliminary proceedings in the arbitration. It was only when TPL filed a lawsuit, which was inconsistent with arbitration, that the Tribe obtained a stay of the arbitration from the Tribal Court. The Tribal Court granted the stay pending resolution of TPL's challenge to its jurisdiction and later vacated the "award," which was issued by only two arbitrators, ex-parte, in violation of Florida law.

displayed a lack of respect for the Tribe, its institutions and its Courts. TPL repudiated arbitration by filing no less than five different complaints and then obtained a final summary judgment confirming an ex-parte arbitration convened in defiance of the orders at the Tribal Court. This dispute should be put to rest, but not before affording the Tribe the opportunity to present these important issues to this Court by granting the Tribe's Petition for a Writ of Certiorari.

Respectfully submitted,

DEXTER W. LEHTINEN
Counsel of Record
LEHTINEN, VARGAS & REINER, P.A.
7700 North Kendall Drive
Suite 303
Miami, FL 33156
(305) 279-1166

SONIA ESCOBIO O'DONNELL
STEPHAN I. VOUDRIS
JORDEN BURT LLP
777 Brickell Avenue
Suite 500
Miami, FL 33131
(305) 371-2600

Attorneys for Petitioner